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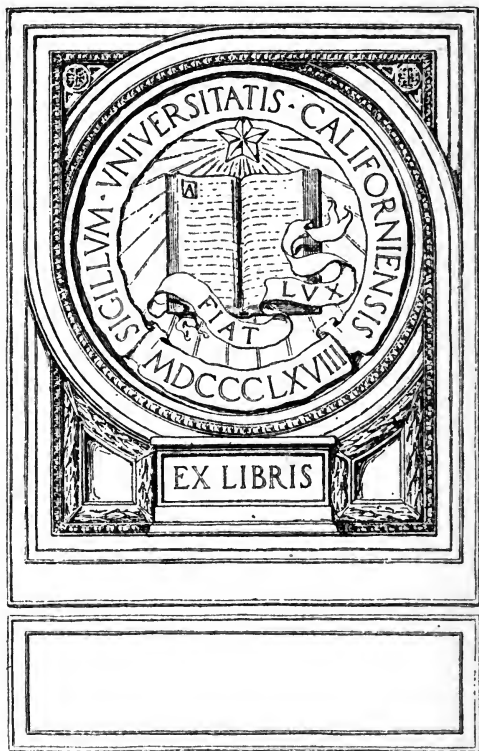
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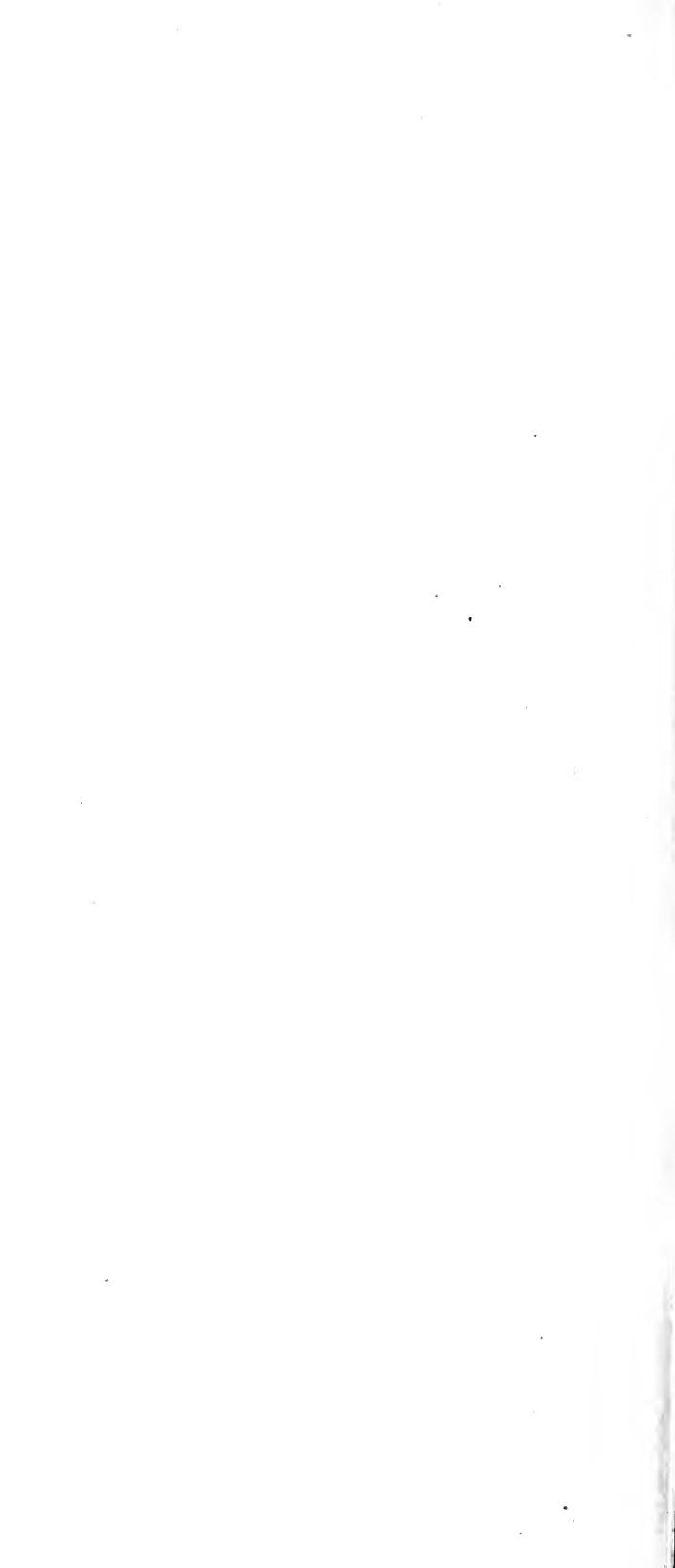
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REPUBLICAN CAMPAIGN TEXT-BOOK

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W. T. Page

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1912



ISSUED BY THE

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FOREWORD.

The purpose of this book is to furnish in concise and convenient form for reference such information as is likely to be required by speakers, writers and others participating in the discussions of the presidential campaign of 1912. However, well-advised, the speaker or writer may be upon the topics of the campaign, he will require for reference many facts and figures which can only be had by consulting numerous publications, many of them so bulky as to be practicable for desk use only. This work is intended to present in concise and portable form the more important of these facts and figures, so condensed and arranged as to be convenient for ready reference in the field, on the stump, upon the train, or wherever they may be desired. The arrangement of the book will be apparent upon an examination of the table of contents which occupies the opening page. Each of the subjects likely to require discussion is treated under its proper title, followed by such statistical statements as may be required for further reference. A copious index will enable those utilizing the volume readily to find the detailed facts which they may require for instant reference. The statistical and historical statements presented in the discussions have been carefully verified and the authority, in the more important statements, cited, while the tables are in most cases from official publications of the Government or from accepted authorities.

It has been deemed proper to present as fully as practicable information upon subjects likely to receive especial attention, and the space allotted to the chapters on Control of Corporations, Wages, Prices and Tariff have been adjusted to the possible requirements of those desiring information upon these subjects. The constant but unfounded assertions that cost of living has advanced more than wages justifies the detailed discussion of this subject which will be found in the chapter entitled "Labor, Wages and Prices," and especial attention is called to the information there presented which fully disproves these assertions.

Extracts from the "Congressional Record."

Two additional volumes have been published by the National Committee. One of these, entitled "Pages from the *Congressional Record*," presents in full a large number of speeches made in the present Congress by leading Republicans upon topics likely to be of interest in the present campaign. The other, entitled "Extracts from the *Congressional Record*," contains brief extracts from speeches delivered in Congress upon subjects likely to be discussed in the present campaign. *It contains the best utterances of the party leaders during its entire history upon the great subjects likely to be considered in this campaign.* Protection, Regulation of Corporations, Prices, Republican Prosperity, Democratic Adversity, the Workingman, the Farmer, the Soldier, Rural Free Delivery, the Post Office Investigation, Panama, the Navy, and the Record of President Taft are discussed in these concise extracts from the public utterances of party leaders past and present. The volume may readily be used as a pocket companion, in the field or on the train, and will prove a valuable supplementary work in connection with this text-book.

Both volumes may be obtained upon application to the National Committee.

SPEECH OF WILLIAM HOWARD TAFT

ACCEPTING THE NOMINATION FOR THE PRESIDENCY
BY THE REPUBLICAN NATIONAL CONVENTION.

Delivered at Washington, D. C., August 1, 1912.

MR. ROOT AND GENTLEMEN OF THE NOTIFICATION COMMITTEE:—I accept the nomination which you tender. I do so with profound gratitude to the Republican Party, which has thus honored me twice. I accept it as an approval of what I have done under its mandate, and as an expression of confidence that in a second administration I will serve the public well. The issue presented to the convention, over which your chairman presided with such a just and even hand, made a crisis in the party's life. A faction sought to force the party to violate a valuable and time-honored national tradition by entrusting the power of the presidency for more than two terms to one man, and that man, one whose recently avowed political views would have committed the party to radical proposals involving dangerous changes in our present constitutional form of representative government and our independent judiciary.

This occasion is appropriate for the expression of profound gratitude at the victory for the right which was won at Chicago. By that victory, the Republican Party was saved for future usefulness. It has been the party through which substantially all the progress and development in our country's history in the last fifty years has been finally effected. It carried the country through the war which saved the Union, and through the green-back and silver crazes to a sound gold basis, which saved the country's honor and credit. It fought the Spanish war and successfully solved the new problems of our island possessions. It met the incidental evils of the enormous trade expansion and extended combinations of capital from 1897 until now by a successful crusade against the attempt of concentrated wealth to control the country's politics and its trade. It enacted regulatory legislation to make the railroads the servants and not the masters of the people. It has enforced the anti-trust laws until those who were not content with anything but monopolistic control of various branches of industry are now acquiescent in any plan which shall give them scope for legitimate expansion and assure them immunity from reckless prosecution.

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The Republican Party has been alive to the modern change in the view of the duty of government toward the people. Time was when the least government was thought the best, and the policy which left all to the individual, unmolested and unaided by government, was deemed the wisest. Now the duty of government by positive law to further equality of opportunity in respect of the weaker classes in their dealings with the stronger and more powerful is clearly recognized. It is in this direction that real progress toward the greater human happiness is being made. It has been suggested that under our Constitution, such tendency to so-called paternalism was impossible. Nothing is further from the fact. The power of the Federal Government to tax and expend for the general welfare has long been exercised, and the admiration one feels for our Constitution is increased when we perceive how readily that instrument lends itself to wider governmental functions in the promotion of the comfort of the people.

The list of legislative enactments for the uplifting of those of our people suffering a disadvantage in their social and economic relation enacted by the Republican Party in this and previous administrations is a long one, and shows the party sensitive to the needs of the people under the new view of governmental responsibility.

Thus there was the pure-food law and the meat-inspection law to hold those who dealt with the food of millions to a strict accountability for its healthful condition.

The frightful loss of life and limb to railway employees in times past has now been greatly reduced by statutes requiring safety appliances and proper inspection, of which two important ones were passed in this administration.

The dreadful mining disasters in which thousands of miners met their death have led to a Federal mining bureau and generous appropriations to further discovery of methods for reducing explosions and other dangers in mining.

The statistics as to infant mortality and as to the too early employment of children in factories have prompted the creation of a children's bureau, by which the whole public can be made aware of actual conditions in the States and the best methods of reforming them for the saving and betterment of the coming generation.

The passage of time has brought the burdens and helplessness of old age to many of those veterans of the Civil War who exposed their lives in the supreme struggle to save the Nation, and recognizing this, Congress has added to previous provision which patriotic gratitude had prompted, a substantial allowance, which may be properly characterized as an old men's pension.

By the white-slave act we have sought to save unfortunates

from their own degradation, and have forbidden the use of interstate commerce in promoting vice.

In the making of the contract of employment between a railway employee and the company, the two do not stand on an equality, and the terms of the contract which the common law implied were unfair to the employee. Congress, in the exercise of its control over interstate commerce, has re-formed the contract to be implied and has made it more favorable to the employee. Indeed, a more radical bill, which I fully approve, has passed the Senate and is now pending in the House which requires interstate railways in effect to insure the lives of their employees and to make provision for prompt settlement of the amount due under the law after death or injury has occurred.

By the railroad legislation of this administration, shippers have been placed much nearer an equality with the railroads whose lines they use, than ever before. Rates can not be increased except after the Interstate Commerce Commission shall hold the increase reasonable. Orders against railways which under previous acts might be stayed by judicial injunction that involved a delay of two years can now be examined and finally passed on by the Commerce Court in about six months. Patrons of express, telegraph, and telephone companies may now secure reasonable rates by complaint to the commission.

Many millions are spent annually by the Department of Agriculture to investigate the best methods of treating the soil, carrying on agriculture and publishing the results. We are now looking into the question of the best system for securing such credit for the farmer at reasonable rates as will enable him better to equip his farm and to follow the rules of good farming, which we must encourage. Our platform, I am glad to say, specifies this as a reform to which the party is pledged. The necessity for stimulating greater production of foodstuffs per acre becomes imperative as the vacant lands available for the extension of acreage are filling up and the supply of foodstuffs as compared with the demand is growing less each year.

Congress has sought to encourage the movement toward eight hours a day for all manual labor by the recent enactment of a new law on the subject more stringent in its provisions, regarding works on Government contracts.

One of the great defects in our present system of government is the delay and expense of litigation, which of course works against the poor litigant. The Supreme Court is now engaged in a revision of the equity rules to minimize delay and expense as to half our Federal litigation. The workmen's compensation act will relieve our courts of law of a very heavy part of the present dockets on the law side of the court and give the court more opportunity to speed the remaining causes. The last Con-

gress codified the Federal court provisions, and we may look for, and should insist upon, a reform in the law procedure so as to promote dispatch of business and reduction in costs.

We have adopted in this administration, after very considerable opposition, the postal savings banks, which work directly in the promotion of thrift among the people. By reason of the payment of only 2 per cent interest on deposits they do not compete with the savings banks. But they do attract those who fear banks and are unwilling to trust their funds except to a governmental agency. Experience, however, leads depositors to a knowledge of the importance of interest, and then seeking a higher rate they transfer their accounts to the savings banks. In this way the savings-bank deposits, instead of being reduced, are increased, and there is thus available a much larger fund for general investment.

For some years the administration has been recommending the parcels post, and now I am glad to say a measure will probably be adopted by Congress authorizing the Government to avail itself of the existing machinery of the Post Office Department to carry parcels at a reasonably low rate, so that the communication between the city and the country in ordinary merchandise will be proportionately as low priced and as prompt as the newspaper and letter delivery through the post offices now. This must contribute greatly to reducing the cost and increasing the comfort of living.

We are considering the changing needs of the people in the disposition of our public lands and their conservation. As those lands owned by the Government and useful for agricultural purposes which remain are as a whole less desirable as homesteads than those which have been already settled, it has been properly thought wise to reduce the time for perfecting a homestead claim from five years to three, and this whether on land within the rain area or in those arid tracts within the reclamation districts.

Again, a bill has passed the Senate and is likely to pass the House which will not compel the settlers on reclamation lands to wait ten years and until full payment of what they owe the Government before they receive a title, but which gives a title after three years with a first Government lien.

On the other hand, the withdrawal of coal lands, phosphate lands, and oil lands and water-power sites is still maintained until Congress shall provide, on the principles of proper conservation, a system of disposition which will attract capital on the one hand and retain sufficient control by the Government on the other to prevent the evil of concentrating absolute ownership in a few persons of those sources for the production of necessities.

POPULAR UNREST.

In the work of rousing the people to the danger that threatened our civilization from the abuses of concentrated wealth and the power it was likely to exercise, the public imagination was wrought upon and a reign of sensational journalism and unjust and unprincipled muckraking has followed, in which much injustice has been done to honest men. Demagogues have seized the opportunity further to inflame the public mind and have sought to turn the peculiar conditions to their advantage.

We are living in an age in which by exaggeration of the defects of our present condition, by false charges of responsibility for it against individuals and classes, by holding up to the feverish imagination of the less fortunate and the discontented the possibilities of a millennium, a condition of popular unrest has been produced. New parties are being formed, with the avowed purpose of satisfying this unrest by promising a panacea. In so far as inequality of condition can be lessened and equality of opportunity can be promoted by improvement of our educational system, the betterment of the laws to insure the quick administration of justice, and by the prevention of the acquisition of privilege without just compensation, in so far as the adoption of the legislation above recited and laws of a similar character may aid the less fortunate in their struggle with the hardships of life, all are in sympathy with a continued effort to remedy injustice and to aid the weak, and I venture to say that there is no national administration in which more real steps of such progress have been taken than in the present one. But in so far as the propaganda for the satisfaction of unrest involves the promise of a millennium, a condition in which the rich are to be made reasonably poor and the poor reasonably rich by law, we are chasing a phantom; we are holding out to those whose unrest we fear a prospect and a dream, a vision of the impossible.

In the ultimate analysis, I fear, the equal opportunity which is sought by many of those who proclaim the coming of so-called social justice involves a forced division of property, and that means socialism. In the abuses of the last two decades it is true that ill-gotten wealth has been concentrated in some undeserving hands, and if it were possible to redistribute it on any equitable principle to those from whom it was taken without adequate or proper compensation, it would be a good result to bring about. But this is obviously impossible and impracticable. All that can be done is to treat this as one incidental evil of a great expansive movement in the material progress of the world and to make sure that there will be no recurrence of such evil. In this regard we have made great progress and re-

form, as in respect to secret rebates in railways, the improper conferring of public franchises, and the immunity of monopolizing trusts and combinations. The misfortunes of ordinary business, the division of the estates of wealthy men at their death, the chance of speculation which undue good fortune seems often to stimulate, operating as causes through a generation, will do much to divide up such large fortunes. It is far better to await the diminution of this evil by natural causes than to attempt what would soon take on the aspect of confiscation or to abolish the principle and institution of private property and to change to socialism. Socialism involves the taking away of the motive for acquisition, saving, energy, and enterprise, and a futile attempt by committees to apportion the rewards due for productive labor. It means stagnation and retrogression. It destroys the mainspring of human action that has carried the world on and upward for 2,000 years.

I do not say that the two gentlemen who now lead, one the Democratic Party and the other the former Republicans who have left their party, in their attacks upon existing conditions, and in their attempt to satisfy the popular unrest by promises of remedies, are consciously embracing socialism. The truth is that they do not offer any definite legislation or policy by which the happy conditions they promise are to be brought about, but if their promises mean anything, they lead directly toward the appropriation of what belongs to one man, to another. The truth is, my friends, both those who have left the Republican Party under the inspiration of their present leader, and our old opponents, the Democrats, under their candidate, are going in a direction they do not definitely know, toward an end they can not definitely describe, with but one chief and clear object, and that is of acquiring power for their party by popular support through the promise of a change for the better. What they clamor for is a change. They ask for a change in Government so that the Government may be restored to the people, as if this had not been a people's Government since the beginning of the Constitution. I have the fullest sympathy with every reform in governmental and election machinery which shall facilitate the expression of the popular will, as the short ballot and the reduction in the number of elective offices to make it possible. But these gentlemen propose to reform the Government, whose present defects, if any, are due to the failure of the people to devote as much time as is necessary to their political duties, by requiring a political activity by the people three times that which thus far the people have been willing to assume; and thus their remedies, instead of exciting the people to further interest and activity in the Government,

will tire them into such an indifference as still further to remand control of public affairs to a minority.

But after we have changed all the governmental machinery so as to permit instantaneous expression of the people in constitutional amendments, in statutes, and in recall of public agents, what then? Votes are not bread, constitutional amendments are not work, referendums do not pay rent or furnish houses, recalls do not furnish clothing, initiatives do not supply employment or relieve inequalities of condition or of opportunity. We still ought to have set before us the definite plans to bring on complete equality of opportunity and to abolish hardship and evil for humanity. We listen for them in vain.

Instead of giving us the benefit of any specific remedies for the hardships and evils of society they point out, they follow their urgent appeals for closer association of the people in legislation by an attempt to cultivate the hostility of the people to the courts and to represent them as in some form upholding injustice and obstructing the popular will. Attempts are made to take away all those safeguards for maintaining the independence of the judiciary which are so carefully framed in our Constitution. These attempts find expression in the policy, on the one hand, of the recall of judges, a system under which a judge whose decision in one case may temporarily displease the electorate is to be deprived at once of his office by a popular vote, a pernicious system embodied in the Arizona constitution and which the Democrats of the House and Senate refused to condemn as the initial policy of a new State. The same spirit manifested itself in the vote by Democratic Senators on the proposition, first, to abolish the Commerce Court, and, second, to abolish judges by mere act of repeal, although under the Constitution their terms are for life, on no ground except that they did not like some of the court's recent decisions. Another form of hostility to the judiciary is shown in the grotesque proposition by the leader of former Republicans who have left their party, for a recall of decisions, so that a decision on a point of constitutional law, having been rendered by the highest court capable of rendering it, shall then be submitted to popular vote to determine whether it ought to be sustained. Again, the Democratic party in Congress and convention shows its desire to weaken the courts by forbidding the use of the writ of injunction to protect a lawful business against the destructive effect of a secondary boycott and by interposing a jury in contempt proceedings brought to enforce the court's order and decrees. These provisions are really class legislation designed to secure immunity for lawlessness in labor disputes on the part of the laborers, but operating much more widely to paralyze the arm of the court in cases which do not involve

labor disputes at all. The hostility to the judiciary and the measures to take away its power and its independence constitute the chief definite policy that can be fairly attributed to that class of statesmen and reformers whose control the Republican Party escaped at Chicago and to whom the Democratic Party yielded at Baltimore.

The Republican Party stands for none of these innovations. It refuses to make changes simply for the purpose of making a change, and cultivating popular hope that in the change something beneficial, undefined, will take place. It does not believe that human nature has changed. It still believes it is possible in this world that the fruits of energy, courage, enterprise, attention to duty, hard work, thrift, providence, restraint of appetite and of passions will continue to have their reward under our present system, and that laziness, lack of attention, lack of industry, the yielding to appetite and passion, carelessness, dishonesty, and disloyalty will ultimately find their own punishment in the world here. We do not deny that there are exceptions, and that seeming fortune follows wickedness and misfortune virtue, but, on the whole, we are optimists and believe that the rule is the other way. We do not know any way to avoid human injustice except to perfect our laws for administering justice, to develop the morality of the individual, to give direct supervision and aid to those who are, or are likely to be, oppressed, and to give as full scope as possible to individual effort and its rewards. Wherever we can see that a statute which does not deprive any person or class of what is his is going to help many people, we are in favor of it. We favor the greatest good to the greatest number, but we do not believe that this can be accomplished by minimizing the rewards of individual effort, or by infringing or destroying the right of property, which, next to the right of liberty, has been and is the greatest civilizing institution in history. In other words, the Republican Party believes in progress along the lines upon which we have attained progress already. We do not believe that we can reach a millennium by a sudden change in all our existing institutions. We believe that we have made progress from the beginning until now, and that the progress is to continue into the far future; that it is reasonable progress that experience has shown to be really useful and helpful, and from which there is no reaction to something worse.

The Republican Party stands for the Constitution as it is, with such amendments adopted according to its provisions as new conditions thoroughly understood may require. We believe that it has stood the test of time, and that there have been disclosed really no serious defects in its operation.

It is said this is not an issue in the campaign. It seems to

me it is the supreme issue. The Democratic Party and the former Republicans who have left their party are neither of them to be trusted on this subject, as I have shown. The Republican Party is the nucleus of that public opinion which favors constant progress and development along safe and sane lines and under the Constitution as we have had it for more than one hundred years, and which believes in the maintenance of an independent judiciary as the keystone of our liberties and the balance wheel by which the whole governmental machinery is kept within the original plan.

WHAT THE ADMINISTRATION HAS DONE.

The normal and logical question which ought to be asked and answered in determining whether an administration should be continued in power is, How has the Government been administered? Has it been economical and efficient? Has it aided or obstructed business prosperity? Has it made for progress in bettering the condition of the people and especially of the wage earner? Ought its general policies to approve themselves to the people?

During this administration we have given special attention to the machinery of government with a view to increasing its efficiency and reducing its cost. For 20 years there has been a continuous expansion in every direction of the governmental functions and a necessary increase in the civil and military servants by which these functions are performed. The expenditures of the Government have normally increased from year to year on an average of nearly 4 per cent. There never has been a systematic investigation and reorganization of this governmental structure with a view to eliminating duplications, to uniting bureaus where union is possible and more effective, and to making the whole organization more compact and its parts more closely coordinated. As a beginning, we examined closely the estimates. These, unless watched, grow from year to year under the natural tendency of the bureau chiefs. The first estimates which were presented to us we cut some \$50,000,000, and this policy we have maintained through the administration and have prevented the normal annual increase in Government expenditures, so the result is that the deficit of \$58,735,000, which we found on the 1st of July, 1909, was changed on the 1st of July, 1910, by increase of the revenues under the Payne law, including the corporation tax, to a surplus of \$15,806,000; on July 1, 1911, to a surplus of \$47,234,000, and on July 1, 1912, to a surplus of \$36,336,000. The expenditures for 1909 were \$662,324,000; for 1910, \$659,705,000; for 1911, \$654,138,000; and for 1912, \$654,804,000. These figures of surplus and expenditure do not include any receipts or expenditures on account of the Panama Canal.

I secured an appropriation for the appointment of an Economy and Efficiency Commission, consisting of the ablest experts in the country, and they have been working for two years on the question of how the Government departments may be re-organized and what changes can be made with a view to giving them greater effectiveness for governmental purposes on the one hand and securing this at considerably less cost on the other. I have transmitted to Congress from time to time the recommendations of this commission, and while they can not all be adopted at one session, and while their recommendations have not been rounded and complete because of the necessity for taking greater time, I think that the Democratic Appropriations Committee of the House has become convinced that we are on the right road and that substantial reform may be effected through the adoption of most of the plans recommended by this commission.

PANAMA CANAL.

For the benefit of our own people and of the world we have carried on the work of the Panama Canal so that we can now look forward with confidence to its completion within 18 months. The work has been a remarkable one, and has involved the expenditure of \$30,000,000 to \$40,000,000 annually for a series of years, and yet it has been attended with no scandal, and with a development of such engineering and medical skill and ingenuity as to command the admiration of the world and to bring the highest credit to our Corps of Army Engineers and our Army Medical Corps.

FOREIGN RELATIONS.

In our foreign relations we have maintained peace everywhere and sought to promote its continuance and permanence.

We have renewed the Japanese treaty for 12 more years and have avoided certain difficulties that were supposed to be insuperable as between the two countries by an arrangement which satisfies both.

We negotiated certain broad treaties for the promotion of universal arbitration which, if they had been ratified, would have greatly contributed toward perfecting machinery for securing general peace. The Democratic minority of the Senate withheld the necessary two-thirds vote, and amended the treaties in such a way as to make it doubtful whether they are worth preserving.

In China we have exercised a beneficial influence as one of the powers interested in aiding that great country in its forward movement and in its effort to establish and maintain popular government. In order that our influence might be useful we have acted with the other great powers and have

exercised our influence effectively toward the strengthening of the popular movement and giving the Republic governmental stability. We have lent our good offices in the negotiation of a loan essential to the continuance of the Republic and which we hope that China will accept under such conditions of supervision as are adequate to the security of the lenders and at the same time will be of great assistance to those in whose behalf the loan is made, the people of China.

Our Mexican neighbor on the south has been disturbed by two revolutions and these have necessarily brought a strain upon our relations because of the losses sustained by American citizens, both in property and in life, due to the lawlessness which could not be prevented under conditions of civil war. The pressure for intervention at times has been great, and grounds upon which, it is said, we might have intervened have been urged upon us, but this administration has been conscious that one hostile step in intervention and the passing of the border by one regiment of troops would mean war with Mexico, the expenditure of hundreds of millions of dollars, the loss of thousands of lives in the tranquillization of that country, with all the subsequent problems that would arise as to its disposition after we found ourselves in complete armed possession.

In order to avoid the plain consequences, it seemed the course of patriotism and of wisdom to subject ourselves and our citizens to some degree of suffering and inconvenience and to pass over with a strong protest and a claim for damages even those injuries inflicted on our peaceful citizens in our own territory along the border by flying bullets in engagements between the governmental and the revolutionary forces on the Mexican side. It is easy to arouse popular indignation over an instance of this character. It is easy to take advantage of it for the purpose of justifying aggressive action, and it is easy to cultivate political support and popularity by a warlike and truculent policy, but with the familiarity that we have had in the carrying on of such a war in the Philippines and in Cuba, no one with a sense of responsibility to the American people would involve them in the almost unending burden and thankless task of enforcing peace upon these 15,000,000 of people fighting among themselves, when they would necessarily all turn against us at the first manifestation of our purpose to intervene. I am very sure that the course of self-restraint the administration has pursued in respect to Mexico will vindicate itself in the pages of history.

I am hopeful that the present Government is now rapidly subduing the insurrection and that we may look for tranquillity near at hand. The demonstration of force which I felt compelled to make in the early part of the disturbance, by the mo-

bilization of some 15,000 or 20,000 troops in Texas, and holding maneuvers there, had a good and direct effect and, as our ambassador and consuls report, secured much increased respect for American and other foreign property in the disturbances that followed. Similar questions have arisen in Cuba, but we have been able to avoid intervention, and to aid and encourage that young Republic by suggestion and advice.

I am glad to believe that we have had more peace in the Central American Republics because of our attention to their needs and our activity in mediating between them than ever before in the history of those Republics.

THE NAVY.

The dignity and effectiveness of the Government of the United States, together with its responsibility for the protection of Hawaii, Porto Rico, Alaska, Panamá, and the Philippines, as well as for the upholding of the Monroe doctrine, require the maintenance of an Army and a Navy. We can not properly reduce either below its present effective size. The plan for the maintenance of the Navy in proportion to the growth of other navies of the world calls for the construction of two new battle-ships each year. The Republican Party has felt the responsibility and voted the ships. The Democratic Party, in House caucus, repudiates any obligation to meet this national need.

THE PHILIPPINES.

The Philippines have had popular government and much prosperity during this administration in view of the free trade which they have enjoyed under the Payne bill. The continuance of the same policy with respect to the Philippines will make the prosperity of those islands greater and greater and will gradually fit their people for self-government, and nothing will prevent such results except the ill-advised policy proposed by the Democratic Party of holding before the Philippine people independence as a prospect of the immediate future.

OUR FOREIGN TRADE.

During this administration everything possible has been done to increase our foreign trade, and under the Payne bill the maximum and minimum clause furnished the opportunity for insisting upon the removal by foreign countries of discriminations in that trade, so that the statistics show that our exports and imports reached for the year ending July 1, 1912, a higher figure than ever before in the history of the country. Our imports for the last fiscal year, ending July 1, 1912, amounted to \$1,653,426,174 and our exports to \$2,049,320,199, or a total of \$3,857,648,262. If there were added to this the business done with Porto Rico, Hawaii, and the Philippines, the sum total of

our foreign trade would considerably exceed \$4,000,000,000. The excess of our exports over imports is \$550,795,914. Manufactures exported during the year 1912 exceed \$1,000,000,000 and surpass the previous record. These figures seem to show that the business is large enough to produce prosperity, and the fact is that it has done so.

PROTECTIVE TARIFF.

The platform of 1908 promised, on behalf of the Republican Party, to do certain things. One was that the tariff would be revised at an extra session. An extra session was called and the tariff was revised. The platform did not say in specific words that the revision would be generally downward, but I construed it to mean that. During the pendency of the bill and after it was passed, it was subjected to the most vicious misrepresentation. It was said to be a bill to increase the tariff rather than to reduce it. The law has been in force now since August, 1909, a period of about 35 months. We are able to judge from its operation how far the statement is true that it did reduce duties.

It has vindicated itself. Under its operation, prosperity has been gradually restored since the panic of 1907. There have been no disastrous failures and no disastrous strikes. The percentage of reduction below the Dingley bill is shown in the larger free list and in the lower percentage of the tariff collected on the total value of the goods imported. The figures show that under the Dingley bill, which was in force 144 months, the average per cent of the imports that came in free was in value 44.3 per cent of the total importations, and that under the Payne bill, which has been in force 35 months, the average per cent in value of the imports which have come in free amounts to 51.2 per cent of the total; that the average ad valorem of the duties on dutiable goods under the 12 years of the Dingley bill was 45.8 per cent, while under the 35 months of the Payne bill this was 41.2 per cent, and that the average ad valorem of duties on all the imports under the Dingley bill was 25.5 per cent, while under the Payne bill it was 20.1 per cent. In other words, considering only reductions on dutiable goods, the reduction in duties from the Dingley bill to the Payne bill was 10 per cent, and considering reductions on all imports it amounted to 21 per cent.

Under the provisions of the Payne bill I was able to appoint a Tariff Board to make investigations into each schedule with a view to determining the cost of production here and the cost of production abroad of the articles named in the schedule, in order to enable Congress in adjusting this schedule to know what rate of duty was necessary to prevent a destructive com-

petition from European countries and the closing up of our mills and other sources of production. We are living on an economic basis established on principles of protection. A large part of our products are dependent for existence upon a rate of duty sufficient to save the producer from foreign competition which would make the continuance of his business impossible. In the making of the Payne bill Congress did not have the advantage of the report of the Tariff Board showing the exact facts. If it had, the bill would have been constructed on a better basis, but we now have had the Tariff Board working, and it has made a report on the production of wool and the manufacture of woollens in this country and abroad, and has compiled and made public similar data as to the manufacture of cotton goods. If the Republican Party had control of the House of Representatives, there would be no difficulty now in passing a woolen bill like those which have been presented by the Republicans in both Houses of Congress, reducing the duty on wool and on woollens to such a degree as not to include more than enough to enable the grower of wool and the woolen industry to live and produce a reasonable profit. The same thing could be done with respect to the cotton industry. On the other hand, our opponents, the Democrats, presented to me for my signature a woolen bill and a cotton bill, both of which, if allowed to become laws, as the reports of the Tariff Board show, would have made such a radical cut in the rates on many woolen and cotton manufactures as seriously to interfere with those industries in this country. This would have forced a transfer of the manufacture to England and Germany and other foreign countries.

THE RESULT OF DEMOCRATIC SUCCESS.

If the result of the election were to put the Democrats completely in control of all branches of the Government, then we should look for the reduction of duties upon all those articles which need protection and may anticipate a serious injury to a large part of our manufacturing industry. We would not have to wait for actual legislation on this subject; the very prospect of Democratic success when its policy toward our great protected industries became understood would postpone indefinitely the coming of prosperity and tend to give us a recurrence of the hard times that we had between 1890 and 1897. The Democratic platform declares protection to be unconstitutional, although it has been the motive and purpose of most tariff bills since 1789, and thus indicates as clearly as possible the intention to depart from a protective policy at once. It is true the Democratic platform says that the change to the policy of a revenue tariff is to be made in such a way as not to injure industry. This is utterly impossible when

we are on a protective basis; and it is conclusively shown to be so by the necessary effect of bills already introduced and passed by the Democratic House for the purpose of making strides toward a revenue tariff. It is now more than 15 years since the people of this country have had an experience in such a change as that which the coming in of the Democratic Party would involve. It ought to be brought home to the people as clearly as possible that a change of economic policy, such as that which is deliberately proposed in the Democratic platform, would halt many of our manufacturing enterprises and throw many wage earners out of employment, would injure much the home markets which the farmers now enjoy for their products, and produce a condition of suffering among the people that no reforming legislation could neutralize or mitigate.

THE HIGH COST OF LIVING AND THE PAYNE LAW.

The statement has been widely circulated and has received considerable support from political opponents, that the tariff act of 1909 is a chief factor in the high cost of living. This is not true. A careful investigation will show that the phenomenon of increased prices and cost of living is world-wide in its extent and quite as much in evidence in other countries of advanced civilization and progressive tendencies as in our own. Bitter complaints of the burden of increased prices and cost of living have been made not only in this country and Europe, but also in countries of Asia and Africa. Disorder and even riots have occurred in several European cities because of the unprecedented cost of food products. In our own country, changes have been manifested without regard to lower or higher duties in the tariff act of 1909. Indeed, the most notable increase in prices has been in the case of products where no duties are imposed, and in some instances in which they were diminished or removed by the recent tariff act.

It is difficult to understand how any legislation vaguely promised in a political platform can remedy this universal condition. I have recommended the creation of a commission to study this subject and to report upon all possible methods for alleviating the hardship of which the people complain, but great economic tendencies, notable among which are the practically universal movement from the country to the city and the increased supply of gold, have been the most potent factors in causing high prices. These facts every careful student of the situation must admit.

EFFECT OF EXCESSIVE TARIFF RATES.

There is one respect in which high tariff rates may make for exorbitant prices. If the rate is higher than the difference between the cost of production here and abroad, then it tempts

the manufacturers of this country to secure monopoly of the industry and to increase prices as far as the excessive tariff will permit. The danger may be avoided in two ways: First, by carefully adjusting the tariff on articles needing protection so that the manufacturer secures only enough protection to pay the scale of high wages which obtains and ought to obtain in this country and secure a reasonable profit from the business. This may be done by the continuance of the Tariff Board's investigation into the facts, which will enable Congress and the people to know what the tariff as to each schedule ought to be. The American public may rest assured that should the Republican Party be restored to power in all legislative branches, all the schedules in the present tariff of which complaint is made will be subjected to investigation and report without delay by a competent and impartial Tariff Board and to the reduction or change which may be necessary to square the rates with the facts.

The other method of avoiding danger of excessive prices from excessive duties is to enforce the antitrust laws against those who combine to take advantage of the excessive tariff rates. This brings me to the discussion of the Sherman Act.

THE ANTITRUST LAW.

The antitrust law was passed to provide against the organization and maintenance of combinations for the manufacture and sale of commodities, which through restraint of trade, either by contract and agreement or by various methods of unfair competition, should suppress competition, establish monopoly, and control prices. The measure has been on the statute book since 1890, and many times under construction by the courts, but not until the litigation against the Standard Oil Co. and against the American Tobacco Co. reached the Supreme Court did the statute receive an authoritative construction which is workable and intelligible.

NEW CONSTRUCTIVE LEGISLATION.

It would aid the business public if specific acts of unfair trade which characterize the establishment of unlawful monopolies should be denounced as misdemeanors for the purpose, first, of making plainer to the public what must be avoided, and, second, for the purpose of punishing such acts by summary procedure without the necessity for the formidable array of witnesses and the lengthy trials essential to establish a general conspiracy under the present act. But there is great need for other constructive legislation of a helpful kind. Combination of capital in great enterprises should be encouraged, if within the law, for everyone must recognize that progress in modern business is by effective combination of the means of production to the

point of greatest economy. It should be our purpose, therefore, to put large interstate business enterprises acting within the law on a basis of security by offering them a Federal corporation law under which they may voluntarily incorporate. Such an act is not an easy one to draw in detail, but its general outlines are clearly defined by the two objects of such a law. One is to secure for the public, through competent Government agency, such a close supervision and regulation of the business transactions of the corporation as to preclude a violation of the anti-trust and other laws to which the business of the corporation must square, and the other is to furnish to business thus incorporated and lawfully conducted the protection and security which it must enjoy under such a Federal charter. With the faculties conferred by such a charter, corporations could do business in all the States without complying with conflicting exactions of State legislatures, and could be sure of uniform taxation, i. e., uniform with that imposed by the State on State corporations in the same business.

OPPOSED TO PROPOSED DRASTIC AMENDMENTS.

I am not in sympathy with the purpose to make the antitrust law more drastic by such a provision as is proposed by the Democratic majority of the investigating committee of the House, for imposing a rule as to burden of proof upon defendants under antitrust prosecutions different from that which defendants in other prosecutions enjoy. This can not be suggested by any difficulty found in proving to the courts the illegality of such combinations when the illegality exists. I challenge the production of a single record in any case in which an objectionable combination has escaped a decree against it because of any favorable rule as to the burden of proof. It is true that many defendants in criminal cases have escaped by a failure of the jury to convict, but that arises from the reluctance and refusal of jurors to find verdicts upon which men are likely to be sent to the penitentiary for pursuing a course in business competition which the ordinary man did not regard as immoral or criminal before the passage of the act.

CONSISTENT COURSE IN PROSECUTION OF THE LAW.

I think I may affirm without contradiction that the prosecution of all persons reported to the Department of Justice to have violated the antitrust law has been carried on in this administration without fear or favor, and that everyone who has violated it, no matter how prominent or how great his influence, has been brought before the bar of the court either in civil or criminal suit to answer the charge.

It is the custom of those who find it to their political interest to do so to sneer at, as innocuous, the decrees against

the American Tobacco Company and against the Standard Oil Company, and the administration is condemned in the Democratic platform for consenting to a compromise in the Standard Oil case. There was no compromise. The Standard Oil decree was entered by the circuit court, and then by the Supreme Court, on the prayer of the Government contained in the original bill filed in a previous administration. The decree in the Tobacco case was reached after a full discussion and entered by the circuit court, consisting of four circuit judges, as a proper decree, and the Government refused to appeal from it because it did not feel that it had grounds upon which to base such an appeal. Both decrees are working well. Both decrees have introduced competition, the one into branches of the tobacco business and the other into branches of the oil business. They have not reintroduced ruinous competition, but they have affected certain prices in such a way as to show the presence of real competition. The division of the two trusts by the decrees into several companies was not expected to show immediate radical change in the business. It may take some years to show all the benefits of the dissolution, but the limitations of the decrees in those two cases are so specific as to make altogether impossible a resumption of the old combination against which the decrees were entered. Even if experience shall show the decrees to be inadequate, full opportunity in future litigation will be afforded to supply the defects.

The contest has been a long one. For years the rule laid down in the statute was ignored and laughed at, but the power of courts of justice pursuing quietly the law and enforcing it whenever opportunity arose has finally convinced the business public that the antitrust law means something, and that the policy of the administration in enforcing it means something. A number of these combinations illegally organized and maintained are now coming forward admitting their illegality and seeking a decree of dissolution, injunction, and settlement. They are quite prepared to square with that policy, provided it be definitely understood that it be impartially enforced and that security shall attend compliance with the law. My belief is that these decrees mark the beginning of a new era in industrial development; that what the great corporations of the country now desire is not what they manifestly did 20 years ago, to wit, to obtain a monopoly in each business, but it is to maintain a large enough plant to secure the greatest economy in production on the one hand and to avoid the danger of the threats of prosecution and disturbance of their business on the other. It will be the work of the highest statesmanship to secure these ends, and the Republican Party if given the power will accomplish it.

CONCLUSION.

I have thus outlined, Mr. Root and gentlemen, what I consider to be the chief issues of this campaign. There are others of importance, but time does not permit me to discuss them. In accordance with the usual custom I reserve the opportunity to supplement these remarks in a letter to be addressed to you at a later date when the alignments of the campaign may require further discussion.

For the present it is sufficient for me to say that it is greatly in the interest of the people to maintain the solidarity of the Republican Party for future usefulness and to continue it and its policies in control of the destinies of the Nation. I can not think that the American people, after the scrutiny and education of a three-months' campaign, during which they will be able to see through the fog of misrepresentation and demagoguery, will fail to recognize that the two great issues which are here presented to them are, first, whether we shall retain, on a sound and permanent basis, our popular constitutional representative form of government, with the independence of the judiciary as necessary to the preservation of those liberties that are the inheritance of centuries, and, second, whether we shall welcome prosperity which is just at our door by maintaining our present economic business basis and by the encouragement of business expansion and progress through legitimate use of capital.

I know that in this wide country there are many who call themselves Democrats, who view, with the same aversion that we Republicans do, the radical propositions of change in our form of Government that are recklessly advanced to satisfy what is supposed to be popular clamor. They are men who revere the Constitution and the institutions of their Government with all the love and respect that we could possibly have, men who deprecate disturbance in business conditions, and are yearning for that quiet from demagogic agitation which is essential to the enjoyment by the whole people of the great prosperity which the good crops and the present conditions ought to bring to us. To them I appeal, as to all Republicans, to join us in an earnest effort to avert the political and economic revolution and business paralysis which Republican defeat will bring about. Such misfortune will fall most heavily on the wage earner. May we not hope that he will see what his real interest is, will understand the shallowness of attacks upon existing institutions and deceitful promises of undefined benefit by undefined changes?

May we not hope that the great majority of voters will be able to distinguish between the substance of performance and the fustian of promise; that they may be able to see that those

who would deliberately stir up discontent and create hostility toward those who are conducting legitimate business enterprises, and who represent the business progress of the country, are sowing dragons' teeth? Who are the people? They are not alone the unfortunate and the weak; they are the weak and the strong, the poor and the rich, and the many who are neither, the wage earner and the capitalist, the farmer and the professional man, the merchant and the manufacturer, the storekeeper and the clerk, the railroad manager and the employee—they all make up the people and they all contribute to the running of the Government, and they have not any of them given into the hands of anyone the mandate to speak for them as peculiarly the people's representative. Especially does not he represent them who, assuming that the people are only the discontented, would stir them up against the remainder of those whose Government alike this is. In other campaigns before this, the American people have been confused and misled and diverted from the truth and from a clear perception of their welfare by specious appeals to their prejudices and their misunderstanding, but the clarifying effect of a campaign of education, the pricking of the bubbles of demagogic promise which the discussions of a campaign made possible, have brought the people to a clear perception of their own interests and to a rejection of the injurious nostrums that in the beginning of the campaign, it was then feared, they might embrace and adopt. So may we not expect in the issues which are now before us that the ballots cast in November shall show a prevailing majority in favor of sound progress, great prosperity upon a protective basis, and under true constitutional and representative rule by the people?

The policy of expansion is what distinguishes the administration of McKinley and adds another to the list of patriotic victories of the Republican Party. By this policy the United States has become a world power.—Hon. Wm. H. Taft, at Kansas City, Mo.

As a party shows itself homogeneous, able to grasp the truth with respect to new issues, able to discard unimportant differences of opinion, sensitive with respect to the successful maintenance of government, and highly charged with the responsibility of its obligation to the people at large, it establishes its claim to the confidence of the public and to its continuance in political power.—Hon. Wm. H. Taft, at Kansas City, Mo.

Only twice in all that remarkable history of forty-eight years have we lost the confidence of the people of the United States to the point of their turning over the government to a Democratic executive. I venture to say that neither in this nor in any other country can be disclosed such a remarkable record of arduous deeds done as in that history of a half century of the Republican Party.—Hon. Wm. H. Taft, at Kansas City, Mo.

The Democrats are a party having no solidarity, uniting elements that are as unmixable as oil and water, and when they come to make a government, should they ever be elected to power, the administration would become as nerveless as a man stricken with paralysis, because the radical difference between the elements necessary to make up the party would be so great as to produce perfect stagnation in legislative provision for the emergencies which might arise. The Democratic Party to-day, as organized, is nothing but organized incapacity. Neither element of the party would have a sense of responsibility strong enough to overcome its antagonism to the principles upheld by the other faction, were it to come into power.—Hon. Wm. H. Taft, at Montpelier, Vt.

THE TARIFF.

On the 4th day of July, 1789, President George Washington approved the first tariff act passed by the American Congress. The first section of that act began as follows:

"Section 1. Whereas it is necessary for the support of Government, for the discharge of the debts of the United States, and *the encouragement and protection of manufactures*, that duties be laid on goods, wares and merchandise imported," be it enacted, etc.

On July 2, 1912, a Democratic National Convention, sitting at Baltimore, Md., adopted a party platform, the first section of which begins as follows:

"We declare it to be a fundamental principle of the Democratic Party that the Federal Government, under the Constitution, has no right or power to impose or collect tariff duties except for the purpose of revenue."

In that first Congress were the fathers of the Republic, the men who had helped to make the Constitution under which the Government has continued for 123 years, through the storms of war, through financial panics, through social and industrial development, until now we are at peace with the world and enjoying a prosperity which is unparalleled in all history.

Among the men who made the first declaration were:

John Adams and Fisher Ames, of Massachusetts.

Frédéric A. Muhlenberg and Robert Morris, of Pennsylvania.

Oliver Ellsworth and Roger Sherman, of Connecticut.

Abraham Baldwin, of Georgia.

James Monroe and James Madison, of Virginia.

Charles Carroll, of Maryland.

Rufus King, of New York.

Among the men who made the second declaration was one who wrote the platform, prescribed the time of its adoption, presented it to the convention and dictated the candidate who was to stand upon it, a man who had three times been defeated for the Presidency:

William Jennings Bryan, of Nebraska.

If the declaration of the Democratic Party is right, then that of the first American Congress is wrong, and every general tariff act from the beginning of the Nation's life has been in flat violation of its fundamental law, and the builders of the Nation's greatness through all these years have been successfully planning in ignorance and gloriously achieving without right or power. Never during these years has any man brought to a final judicial decision the claim now made, never but twice has the question been raised by any of the partners to the original agreement.

NULLIFICATION, FREE TRADE.

In 1832 the State of South Carolina declared that the protective tariff acts of 1828 and 1832 were "unauthorized by the Constitution of the United States and violated the true intent and meaning thereof and were null and void, and no law, nor binding upon the State of South Carolina."

In the address of the South Carolina Convention to the people of the United States, they declared "the fixed and final determination of the State in relation to the protecting system" and "that it remains for us to submit a plan of taxation in which we would be willing to acquiesce in a liberal spirit of concession, provided we are met in due time and in a becoming spirit by the States interested in manufactures."

The equitable plan was, that "the whole list of protected articles should be imported free of all duty and that the revenue

derived from import duties should be raised exclusively from the unprotected articles, or that whenever a duty is imposed upon protected articles imported, an excise duty of the same rate shall be imposed upon all similar articles manufactured in the United States."

If the South Carolina construction of the Constitution was right, their definition of a tariff for revenue only was absolutely right, and the declaration of the Democratic platform of 1912 is now in strict accord with it.

But Andrew Jackson agreed neither with the legal construction nor the tariff definitions of the South Carolina Convention, for in his first message to Congress, in 1829, he had declared that "The general rule to be applied in graduating the duties upon articles of foreign growth and manufacture is that which will place our own in fair competition with those of other countries, and the inducements to *advance even a step beyond this point* are controlling in regard to those articles which are of prime necessity in time of war."

That is good Republican doctrine now, and if the doughty old General were alive to-day he would be forced to stand with the Republican Party, and repudiate the declaration of modern Democracy that "*the Federal Government under the Constitution has no right or power to impose or collect tariff duties, except for the purpose of revenue.*"

The second attempt by any of the partners to the original constitutional agreement to publicly set forth their construction of it is found in Article I, Section 8, of the Constitution of the Confederate States, in 1861. It reads as follows:

"Article I, Section 8. The Congress shall have power to lay and collect taxes, duties, imposts and excises, for revenue necessary to pay the debts, provide for the common defense, and carry on the Government of the Confederate States; but no bounties shall be granted from the treasury, nor shall any duties or taxes be laid to promote or foster any branch of industry, and all duties, imposts and excises shall be uniform throughout the Confederate States."

But nullification and free trade went down into a common grave with slavery and secession, and it was not till 1892 that the Democratic Party again denied the constitutional power of this Nation to encourage and protect its industries. That declaration was followed by the most disastrous industrial panic which this country has ever seen.

Indeed, the fear of what such a policy might bring to the expanding industries of the Nation was worse than the reality itself, and with the passing by of the financial troubles of 1893 to 1895, the struggling industries took on new life and courage, and gradually became ready for the quickening impulse given them by the real protective tariff of 1897.

DEMOCRATIC INCONSISTENCIES.

No man can read the tariff planks of the eleven Democratic platforms formulated since the Civil War and not reach the conclusion that the party has during these years been without any fixed principles in dealing with the subject, and that its only aim and purpose has been to adjust candidates to platforms and platforms to candidates with the sole purpose of catering to what seemed to be the momentary popular impulse. Taken together, they make a peddler's pack of inconsistencies of public policies offered by a great party in exchange for a lease of power. The American people paid the price once, in 1894, and have never forgotten or ceased to regret that sore experience.

In 1868, under Horatio Seymour, they declared for incidental protection and the promotion and encouragement of the industries of the country.

In 1872, under Horace Greeley, the discussion of irreconcilable differences was remitted to Congressional districts.

In 1876, under Tilden, the demand was for a tariff for revenue only.

In 1880, a tariff for revenue only, and Hancock declared it to be a local issue.

In 1884, under Cleveland, they declared that American labor must be protected against foreign labor, and that the increased cost of production, because of higher wages here, must be amply covered in any reductions which might be made.

In 1888, under Cleveland again, revision with due allowance for the difference in the wages of American and foreign labor.

In 1892, under Cleveland again, a flat denial of the constitutional power to impose tariff duties except for the purpose of revenue only.

In 1896, under Bryan, opposition to any agitation of tariff revision until the money question was settled.

In 1900, under Bryan again, amend the existing law by putting trust products on the free list.

In 1904, under Parker, a gradual reduction of the tariff.

In 1908, under Bryan again, a gradual reduction of duties to a revenue basis.

In view of these varying, conflicting and sometimes meaningless declarations of the past half century, the absurdity of the Democratic platform of 1912 is at once manifest, but it is also clear and plain that in the delusive hopes inspired now by a temporary gain of a part of the legislative power, the dominant, controlling principles of old-time Southern Democracy have taken on new life and power, and that a straight-out free-trade platform was the only one fitted to a candidate who through all his life has believed and taught that doctrine, and who now declares that the whole Republican policy of protection is "ignorant and preposterous."

THE PROTECTIVE POLICY.

The Republican Party was born as a protest against slavery and the degradation of labor, whether white or black.

With its protest made and its mission established, it chose Abraham Lincoln as its leader and declared "that sound policy required such an adjustment of import duties as to encourage the development of the industrial interests of the whole country, and a policy of national exchanges which would secure to workmen liberal wages, to agriculture remunerative prices, to mechanics and manufacturers an adequate reward for their skill, labor and enterprise, and to the Nation commercial prosperity and independence."

It was the declaration of 1789 broadened and adapted to the wants and necessities of a larger national life.

It meant that what our people could do, they should have the chance to do.

It meant that we should not be content to grow cotton and corn, and produce food and raw materials for foreign nations, and then pay tribute to them for the finished products. It meant that industrial independence should supplement and glorify political freedom.

From the day of its birth till now the Republican Party has kept that faith, never wavering, never faltering, but, standing squarely on the principle of protection to American industry, it has dignified labor, established and maintained the best wage scale in all the world, and with it a distinctively American standard of living and American home.

Imbued with this principle, party and leaders alike have stood together. Lincoln, Grant, Hayes, Garfield, Harrison and McKinley, and when William McKinley died he had seen the battle fought and the victory won at home, and was looking out into a larger field, and forward to still greater victories.

"TARIFF FOR REVENUE ONLY" MEANS DEATH TO PROTECTION.

What of the future? To-day the issue is joined again, and it is protection or free trade, for a tariff for revenue only is nothing but free trade with a handicap, an actual burden upon production with all protection eliminated.

The phrase "A tariff for revenue" means nothing, for that is one of the purposes of all tariffs, but "A tariff for revenue only" means death to the policy of protection. Of all civilized nations

Great Britain alone now has a tariff for revenue only, and yet of all nations Great Britain has the highest average rate of duty on its dutiable imports and raises far more per capita from customs revenue than the United States does. She is known as a free-trade nation and the United States as a protective nation.

The distinction is not found in the rate of taxation, but in the method of its adjustment. Great Britain has very high rates on a very few things and everything else is imported free of duty. The things she does tax are not produced there, or, as in the case of spirits and beer, the duty on the imported article is offset by an internal revenue tax on the domestic production. Her system is precisely that already referred to as demanded by the South Carolina Nullification Convention, by the Confederate Congress and now by the Democratic platform of 1912.

Protection is not possible under it.

A PROTECTIVE TARIFF.

A protective-tariff nation puts its customs taxes on those things imported, the *like of which are produced within its own borders*, and the Republican Party in 1908 declared that the true measure of such protection should be the difference in the cost of production at home and abroad. Where the cost of production is less here, or where there is no difference, or when the like of the imported article is not or cannot be produced here, the protective policy admits it free. *Under the operation of this principle a billion dollars' worth of foreign products came into our ports last year without paying one cent of tax* and went direct into domestic consumption.

The present free list covers chemicals in great variety and amount, animals for breeding purposes, anthracite coal, coal tar and its derivatives, tea, coffee and cocoa, copper and tin, cotton, drugs, natural and uncompound; all fish the products of American fisheries, furs, undressed; grease, fats and oils; guano, manures, hides and hair of cattle, india rubber, indigo, ivory tusks, licorice root, manganese ore, Brazil nuts and cocoanuts, a great variety of oils, including petroleum, kerosene, benzine, naphtha and gasoline; ores of gold, silver and nickel; paper stock, phosphates, platinum, raw silk, spices, tar, logs and round timber, pulp wood, tropical woods in great variety, fourteen million dollars' worth of bananas last year, and hundreds of other things, mostly used as raw materials in every conceivable manufacturing process.

Under the present law, the free list last year covered 53.32 per cent. of all of our importations, and during the entire thirty-five months since the law has been in operation the average of free importations has been 51.2 per cent. of all imports, or greater than ever before in the Nation's history, except for the four years with free sugar under the McKinley law.

Of our total importations, 46.68 per cent. was taxed at the custom house. It included luxuries and certain other articles the like of which are the products of our own farms, forests, factories and mines.

The plain purpose of the duties laid upon these things at the custom house was not only to help defray the expenses of maintaining the Government, but to give to our own people a fair reward for the labor employed in their production and an equal chance with foreign producers in this marketplace, and to make this Nation self-reliant in all things where with our climate, soil and skill, industrial independence is possible.

THE TARIFF POLICY AND PLEDGE OF THE REPUBLICAN PARTY.

The avowed policy of the Republican Party for the past two years has not only been to this end, but it has voluntarily pledged itself to the American people to submit each and every schedule of the present law to the careful, intelligent and patient investigation of a permanent, non-partisan, independent Tariff Board, to be named by the President and confirmed by the Senate, and to adjust the rates in accordance with the Republican policy of true protection, and in the light of the facts shown by such investigations.

Its platform declaration for 1912 is as follows:

We reaffirm our belief in a protective tariff. The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries and protecting our workmen against competition with cheaper labor abroad, thus establishing for our wage-earners the American standard of living. The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of our people out of employment. The products of the farm and of the mine should receive the same measure of protection as other products of American labor.

We hold that the import duties should be high enough while yielding a sufficient revenue to protect adequately American industries and wages. Some of the existing import duties are too high, and should be reduced. Readjustment should be made from time to time to conform to changed conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this, correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the Tariff Board has demonstrated. The pronounced feature of modern industrial life is its enormous diversifications. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican Party has shown by its creation of a Tariff Board its recognition of this situation and its determination to be equal to it. We condemn the Democratic Party for its failure either to provide funds for the continuance of this board or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the Democratic method of legislating on these vitally important subjects without careful investigation.

We condemn the Democratic tariff bills passed by the House of Representatives of the Sixty-second Congress as sectional, as injurious to the public credit and as destructive of business enterprise.

MEANING OF THE DEMOCRATIC TARIFF PLEDGE OF 1912.

If the Democratic Party complies with its platform declaration that the "Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue," it must do one of two things:

First. In accordance with the theory of John C. Calhoun and the South Carolina Convention, it must transfer the entire tariff tax from the competitive imports, which comprise 46.68 per cent. of the whole, to the imports which under the present law are free of duty, and which comprise 53.32 per cent. of the whole. In this case every cent of the tax would be added to the cost of the imported article where there is no like domestic product to control the price. In addition to that, it would throw open our entire domestic production to the unrestricted competition of the product of much lower foreign wages and consequent lower standard of living, for the 46.68 per cent. of competing importations which now constitute the dutiable list must become the free list, or the Democratic Party would repudiate its own platform. Or, second, accepting the modern conception of tariff for revenue only, first make duties on competitive importations at rates clearly below the protective point and so encourage larger importations at the expense of the domestic product. Then make up deficiencies in revenue by extending the tax over the free list. This was the plan adopted by the Democratic majority in the Sixty-second Congress in revising the chemical schedule. In that case they cut the duties on finished competing products and then put a duty on \$41,667,000 worth of chemicals which were free in 1911, with the result that where the rate on the same articles averaged 14 per cent. under the Payne law, it averaged, under the Democratic conception of a tariff for revenue only, 16.66 per cent.

If the bill had become a law it would have increased the

cost of the imported raw materials which are now free and hence have added to the cost of the finished domestic product. At the same time it would have opened wide the door into this market to five great legalized trusts in Germany for their finished products.

This proposition was put through the House of Representatives under the dictation of the Democratic caucus, controlled absolutely by the votes of the Southern States, as, indeed, all tariff legislation in the Sixty-second Congress has been, but it was too radical for any type of Republican thought. It practically consolidated Republican opposition in the House and was finally defeated by a united Republican vote in the Senate.

NO HALF-WAY HOUSE.

With Republican protection measured by the difference in the unit cost of foreign and domestic production, and that difference shown by an independent, non-partisan Tariff Board, lower duties than that can only mean the stoppage and transfer of some of our industries abroad, or a reduction of wages and other conditions to the level of the competing foreign producers, so that it is manifest that on the two schedules of wool and cotton upon which reports have been made there is no half-way house between English free trade with English industrial conditions, or else duties based upon the Tariff Board report, which will equalize costs and at least maintain, and certainly not lower, industrial conditions here. Disguising a lower duty by calling it a tariff for revenue only, or by any other name, does not alter the fact that the quality of the product being equal, the cheaper producer will control the market.

It is useless to discuss the efficiency of machinery or the relative superiority of foreign or domestic labor, for all of this is taken into account by the Tariff Board, and the unit cost of the unit of product is the basis upon which the Board has made its report.

DEMOCRATIC WOOL BILL.

In the report on the Wool bill, passed through the House by the Democratic majority, they say "The rates of duty worked out by the committee were fixed without any reference whatever to protection." That is undoubtedly true, for by their own estimate they provided for an increased importation of wool in the grease and in fabrics of nearly two hundred million pounds. This could only result in the substitution of foreign for domestic wool by a like amount. Could this be done without injury to the wool-growing industry in the United States?

The Democratic bill looked to an increase of importations of \$40,773,633 worth of foreign woolen fabrics. As the total importation for 1910 amounted to only \$23,057,357, or 4.2 per cent. of the home consumption, it is perfectly clear that the increase to more than sixty millions meant the transfer of so much of the industry to foreign factories and the labor of 25,000 men needed to produce it taken away from our people. And this result was to be achieved with a net loss of revenue of \$1,348,349.

So much for a Democratic wool schedule in the first session of the Sixty-second Congress, based on guess-work months before the Tariff Board report was made, and persisted in in the second session as a tariff for revenue, in utter disregard of the board's report submitted to Congress in December, 1911.

REPUBLICAN WOOL BILL.

The Republican members of the Ways and Means Committee presented a substitute bill which received the united support of the Republican Representatives. It was based squarely on the report of the Tariff Board, and was in accord with the facts found after an investigation of the industry throughout the world, made by the best experts that could be found, an investigation costing a quarter of a million dollars and two years' time of a large

force of men, and resulting in a unanimous report of a board consisting of three Republicans and two Democrats.

They were:

Henry C. Emery, Professor of Economics, Yale University.

Alvin H. Sanders, editor of *The Breeders' Gazette*.

James B. Reynolds, ex-Assistant Secretary of the Treasury.

William M. Howard, ex-Member of Congress from Georgia.

Thomas W. Page, Professor of Economics, University of Virginia.

First, the board had shown the utter absurdity of the claim in the Democratic report, that the entire domestic product was increased in price by the amount of the duties, and that 96 per cent. of domestic consumption was controlled by the 4 per cent. of importations.

They had shown that domestic competition had forced home prices down to and in many cases below the difference in the unit cost of the product, and that many of the existing rates of duty were useless, unnecessary and ineffective for protective purposes.

On this subject the board said as follows:

"On the other hand prices in this country on the fabrics just referred to are not increased by the full amount of the duty. A collection of representative samples was made in England of goods ranging from those which cannot be imported at all to those which are imported continually. These were then matched with a collection of samples of American-made cloths, which were fairly comparable, and the mill prices compared for the same date. It is found that on goods entirely excluded the nominal rates of duty would reach an *ad valorem* rate of 150 or even over 200 per cent., but that the American fabric is actually sold in the market at from only 60 to 80 per cent. higher than similar goods sold abroad.

On sixteen samples of foreign goods; for instance, none of which are imported, the figures are as follows:

Total of foreign prices.....	\$41.84
Duties which would have been assessed had they been imported	76.90
Foreign price, plus the duty, if imported.....	118.74
Actual domestic price of similar fabrics.....	69.75

Thus, though the nominal duties on such fabrics equal 184 per cent., the actual excess of the domestic price over the foreign price on similar fabrics of this kind is about 67 per cent. This is the result of domestic competition."

The excessive duties were at once discarded and the new bill was based on the difference in conversion cost as ascertained by the Tariff Board.

Second, the board had shown that the compensatory duties on the wool imported in the fabric were greater than would have been collected if the wool required to make the fabric had been imported in the raw state, and that a pound rate on wool had applied to the entire weight of the fabric, including the cotton or other material contained therein.

The compensatory rates ascertained by factory tests made by the board were at once accepted precisely as reported, and made to apply only to the wool contained in the imported fabric. The other practice of years is still unchanged in the Democratic bill.

Third, the board had shown that carpet wool, which constituted 60 per cent. of all wool imported, was no longer produced in this country, and was, therefore, a non-competitive importation.

It was at once made practically free, by a drawback of 99 per cent., of the duty when used in carpet manufacture, and the duty on the finished carpets was reduced by more than one-half accordingly. The Democratic bill continued a duty of 20 per cent. on carpet wool for revenue purposes.

With these and other changes the rate on Schedule K, as a whole, in the Republican bill was made materially lower than the Democratic so-called revenue bill, and yet by a fair and just application of rates on competitive importations only, based upon the Tariff Board Report, it was kept protective in every item.

THE COTTON SCHEDULE.

As on wool, so on cotton, the Democratic bill was purely guesswork, reported and passed on a vote of a Democratic caucus. Neither bill ever had a public hearing, and both were the outcome of private conferences between Democratic members and interested parties, with no opportunity for cross-examination by Republican members of the committee. This was in direct contrast with the procedure in preparing the Payne bill three years ago, when eight thousand printed pages of testimony was taken in public hearings in the presence of manufacturers, importers, consumers and before the full committee.

When the Democratic bill was before the House, Mr. Hinds, of Maine, asked Mr. Underwood if it was a fact that the bill left out entirely the principle of protection, and he replied: "Absolutely so far as my knowledge is concerned." It was well adapted to its purpose as enunciated by a Congressman from North Carolina, when he said: "We, in the South, intend to make New England mills come and put their mills in the South or else go out of business." Without regard to merit, or necessity for protection, it put unnecessarily high duties on plain woven low-grade products, the principal product of one section of the country and low duties on high-grade cloths and knit goods, the special products of other sections.

The sum and substance of it was high duties and no revenue from the cloth fabrics used by the poor; on the fine knit fabrics, used by the rich, low duties, large revenues and a young and growing industry strangled.

The report of the Tariff Board on the Cotton Schedule was a revelation to the whole world, except the Democratic members of the Ways and Means Committee who promptly repudiated it and reintroduced in the Second Session of the Sixty-second Congress the identical bill which had been the product of guesswork the year before.

Again, as on the wool bill, the Republican vote of the House of Representatives was united in favor of a revision of the Cotton Schedule made in accordance with the report of the Tariff Board and in co-operation with its members and experts.

The Republican bill showed a reduction of taxation on the schedule as a whole, very considerably below the Democratic bill, but by the adjustment of rates on more or less competitive importations, according to the facts shown in the board's report, the principle of protection, based on the difference in cost of production, was maintained as to every item in it.

The report in this case, as on wool, showed the effective power of domestic competition when unhampered and uncontrolled by combinations to regulate the domestic selling price of the products of a developed industry, and fully justified the removal of duties which had been necessary in the formative period of cotton manufacturing, but which now have become inoperative, both as to maintaining prices or preserving markets. It was a clear demonstration of the benefits of the protective policy to the consumer and producer alike.

PROTECTION VS. REVENUE ONLY.

Comparison of the Tariff Board schedules on wool and cotton presented by the Republicans in the House, with the Chemical Schedule for revenue only presented by the Democrats to which reference has previously been made, proves the irreconcilable conflict between the two tariff systems.

Under the protective policy, as illustrated in the wonderful progress of the cotton industry as domestic costs are lessened. It follows that the free list of finished products can be gradually enlarged or tariffs materially reduced, and at the same time the American wage scale and standard of living maintained, or what is better yet, tariffs reduced in part and a higher wage scale and better standard of living made possible for the men and women employed in industrial pursuits.

Under the "revenue only" policy, with raw materials increased in cost by a revenue duty and with rates on the finished product cut below the difference in cost of production, there is no possible place from which that reduction can come except from the wages of labor.

It is not a question of the amount of taxation, for in the aggregate that must be the same in either case for the expenses of government must be met. It is simply and solely, whether in applying those taxes, it shall be done in such a way as to encourage and develop our own industries or the industries of Europe.

It is whether we shall make life better, and better worth living here, or sacrifice our own people to the uplifting of the people of other lands.

It is a question of plenty of work and good wages, or no work or low wages, and it is for the American people to decide which of these policies they wish to apply to themselves.

PROGRESS OF PROTECTION.

No man better understood the fundamental meaning of the protective policy than William McKinley, and his last public declaration of vision and prophecy at Buffalo, on September 5, 1901, was an inspiration to the American people for a change of methods, but an adherence to the principle of protection for which he had fought for a lifetime.

He said:

"We have a vast and intricate business built up through years of toil and struggle, in which every part of the country has its stake, which will not permit of either neglect or undue selfishness. No narrow, sordid policy will subserve it. The greatest skill and wisdom on the part of manufacturers and producers will be required to hold and increase it. Our industrial enterprises which have grown to such great proportions affect the homes and occupations of the people and the welfare of the country. Our capacity to produce has developed so enormously and our products have so multiplied that the problem of more markets requires our urgent and immediate attention. Only a broad and enlightened policy will keep what we have. No other policy will get more. In these times of marvelous business energy and gain we ought to be looking to the future, strengthening the weak places in our industrial and commercial systems, that we may be ready for any storm or strain. . . . The period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem. . . . If perchance some of our tariffs are no longer needed for revenue or to encourage and protect our industries at home, why should they not be employed to extend and promote our markets abroad?"

With uplifted hand and solemn vow, Theodore Roosevelt pledged himself to the American people to continue the policies of his martyred predecessor, but new issues were brought to the front, and for three and one-half years no action was taken looking toward "new markets and the expansion of our trade and commerce."

In 1904 the Republican Party declared "its belief in the adoption of all practical methods for the further extension of our foreign markets, and intrusted this great question to the President and Congress," but again new issues were raised and the political energies and activities of the people were turned in other directions.

In 1908 the Republican Party declared unequivocally for tariff revision and fixed the date, and under the leadership of William Howard Taft began this work. Three years have passed and in the clear light of actual results the measure of that work can now be taken by the comparison with other legislation, which is here submitted and following that by a showing of the operations of the Dingley law for its last two years, and of the Payne law from its enactment to July 1, 1912.

Comparison of Tariffs.

Imports of merchandise into the United States, showing the percentage thereof free of duty, customs receipts, and average ad valorem rate of duty, during the 35 months' operation of the Payne Tariff Law, August 5, 1909, to June 30, 1912, compared with like results under the entire operation of the McKinley, Wilson, and Dingley Tariffs, respectively:

Entire period of—	Imports.			Per cent free.	Customs receipts.	Average ad valorem on—	
	Free.	Dutiable	Total.			Dutiable	Total imports.
McKinley Law. (a) 47 months.....	Million. \$1,642.1	Million. \$1,454.0	Million. \$3,096.0	53.0	Million. \$684.8	Per cent 47.1	Per cent 22.1
Monthly average.....	34.9	30.9	65.8	-----	14.6	-----	-----
Wilson Law. (b) 35 months.....	1,080.4	1,132.7	2,213.1	48.8	485.0	42.8	21.9
Monthly average.....	30.9	32.4	63.3	-----	13.9	-----	-----
Dingley Law. (c) 144 months.....	5,428.5	6,821.5	12,250.0	44.3	3,121.8	45.8	25.5
Monthly average.....	37.7	47.4	85.1	-----	21.7	-----	-----
Payne Law. (d) 35 months.....	2,368.2	2,256.9	4,625.1	51.2	928.8	41.2	20.1
Monthly average.....	67.7	64.5	132.2	-----	26.5	-----	-----

(a) Includes October 1 to 5, 1890, under Act of 1883; and August 28 to 31, 1894, under Act of 1894.

(b) Excludes last four days of August, 1894, included under McKinley Law, and includes July 24 to 31, 1897, under Act of 1897.

(c) Excludes last eight days of July, 1897, included under Wilson Law; excludes August 1 to 5, 1909, included under Payne Law.

(d) Includes August 1 to 5, 1909, under Act of 1897.

NOTE.—A reduction of about \$55,000,000 was caused in customs receipts under the McKinley Act, due to reduced imports in the closing months under that Act in anticipation of passage of Wilson Tariff, whose revenues were correspondingly increased. Likewise a reduction of about \$45,000,000 was caused in customs receipts under the Dingley Law, due to heavy imports in the closing months under the Wilson Law, whose revenues were correspondingly increased. The high percentage of free imports under the McKinley Law was largely due to the fact that under that Act sugar was on the free list. Of merchandise other than sugar imported under the McKinley Law, 39.56 per cent was free of duty.

Department of Commerce and Labor,
Bureau of Statistics,
July 15, 1912.

Dingley Law, 1908, 1909. Payne Law, 1910, 1911, 1912.

Years ended June 30.	Total exports, domestic and foreign.	Total imports.	Free of duty.	Per cent of free.	Dutiable.	Average ad valorem rate of duty on—		Customs receipts.
						Dutiable.	Free and dutiable.	
	Dollars.	Dollars.	Dollars.	Per cent.	Dollars.	Per cent.	Per cent.	Dollars.
1908.....	1,860,773,346	1,194,341,792	525,603,308	44.01	668,738,484	42.78	23.96	286,113,130
1909.....	1,663,011,104	1,311,920,224	599,556,639	45.70	712,363,585	42.21	22.92	300,711,934
1910.....	1,744,984,720	1,556,947,430	755,311,396	48.53	801,636,034	41.63	21.43	333,683,445
1911.....	2,049,320,199	1,527,226,105	776,972,509	50.87	750,253,596	41.92	20.59	314,497,071
1912.....	2,204,222,088	1,653,426,174	881,743,144	53.32	771,683,030	40.34	18.82	311,257,348

What are the results?

Never but two years in the whole history of the Nation has the percentage of free importations been as great as in the fiscal year of 1912, and those two years were with free sugar under the McKinley law.

Never but five years in our history has the rate of duty on all importations been as low as in 1912.

Never in any year, since the beginning of the Civil War, in 1861, when governmental expenses were enormously increased, has the rate of duty on all importations been as low as in 1912.

That rate for the year 1912 is 18.82 per cent., which is less than the rate for the entire period of the Dingley law by 26.1 per cent., less than that of the Wilson law by 14.06 per cent., and less than that of the McKinley law, even with free sugar, by 14.8 per cent.

Never since the close of the Civil War has any year shown so low a rate on dutiable importations only as 1912, except in 1873 and 1874 under a Republican tariff, and in 1896 under a Democratic one.

The rate on dutiable importations only, for 1912, was 40.34 per cent., which was 11.9 per cent. less than for the whole period of the Dingley law, 5.7 per cent. less than the Wilson, and 14.3 per cent. less than the McKinley law.

MAXIMUM AND MINIMUM SYSTEM.

Under the maximum and minimum system of rates provided for the first time in our history, by the Payne bill, President Taft at once began negotiations with all of the commercial nations of the world for the admission of our products into their market places on equal terms with other countries, and in 1912 this Nation sold abroad \$2,204,224,088 worth of its products, as against \$1,663,011,104 worth in 1909, an increase of \$541,210,984.

In 1912 we bought from other nations \$1,653,426,174 worth of their products, as against \$1,311,920,224 worth in 1909, an increase of \$341,505,950.

Including the trade of the Philippines, Porto Rico and Hawaii, the foreign trade of the United States for 1912 will total more than four billions of dollars, and of the importations more than one billion dollars worth went straight to the consumer without one cent of tax upon it.

The prophecy of William McKinley is being fulfilled, and the "period of exclusiveness is past."

Under the Payne Bill the Customs Court was established, by which speedy and economical adjustment of all disputed customs questions are now made.

TARIFF BOARD.

But more than all and inaugurating a new system of tariff-making, the Payne Bill provided for a Tariff Board, at first a partisan body, named to assist the President in instituting the maximum and minimum tariff system. It was promptly followed by a demand from the business organizations of the country for the establishment of a non-partisan, permanent Tariff Commission, to be appointed by the President and confirmed by the Senate. Men of all shades of political opinion, with commercial, industrial and agricultural associations, united in the request, and a Republican House and Senate gave it hearty support, but the proposition was defeated by a Democratic filibuster in the closing hours of the Sixty-first Congress.

William Howard Taft at once met the situation by adding two Democrats to the Tariff Board of three Republicans previously named, and it is from this board of five men that the two unanimous reports on the cotton and wool schedules have come, and upon and in accordance with which revision of both schedules has been attempted by the Republicans and defeated by the Democrats in the House of Representatives.

It is under such a system that the tariffs of Europe are now made. Germany went twenty-seven years, from 1879 to 1906, without a general tariff revision. Meanwhile trade agreements with other nations and many single changes were made.

Great Britain has had no general tariff revision in sixty-six years, but single changes have been made almost every year as a part of the financial budget.

France went eighteen years without a general revision, and during that time, under the supervision of a tariff commission, thirty-eight separate acts affecting three hundred and forty-eight rates were passed, and the business interests of France never knew it so far as any commercial disturbance was concerned. It ought to be so here, and would be with an independent, non-partisan, permanent tariff commission, such as the Republican Party has declared for in its platform, and which the Democratic Party has repudiated, even starving to death the present Tariff Board by refusing any appropriation in this Congress for its continuance. In the United States we have had four general tariff revisions in twenty years, and now in a time of marked prosperity, with the promise of abundant crops, with an expanding domestic trade and a foreign commerce increasing by leaps and bounds, a fifth revision is demanded by the Democratic Party, with the distinct announcement that the protective policy of fifty years shall be reversed on the ground that this great Nation has no constitutional right or power to adjust its own system of taxation to the rule laid down by Andrew Jackson, that "the duties upon articles of foreign growth and manufacture should be so applied as to place our own in a fair competition with those of other countries."

Over against this is the solemn pledge of William Howard Taft in accepting the Republican nomination for the presidency in the White House in Washington, on August 1, 1912.

"The American people may rest assured that should the Republican Party be restored to power in all legislative branches all the schedules in the present tariff, of which complaint is made, will be subjected to investigation and report by a competent and impartial tariff board, and to the reduction or change which may be necessary to square the rates with the facts."

Between these two policies and the inevitable results of each, the American people must choose in the coming election.

THE DEMOCRATIC TARIFF MEASURES OF 1911-12.

At the beginning of the Sixty-second Congress Democratic leaders assured the country that no tariff legislation would be attempted which would injure any legitimate industry.

At its close, with full knowledge of what had been attempted, their candidate, in his speech of acceptance, says:

It is obvious that the changes we make should be made only at such a rate and in such a way as will least interfere with the normal and healthful course of commerce and manufacture; but we shall not on that account act with timidity, as if we did not know our own minds, for we are certain of our ground and of our object.

These are the promises. What is the performance thus far?

A change to absolute free trade on industries represented by 10,104 establishments, using capital to the amount of \$4,450,735,803, employing 1,374,333 wage earners, to whom \$676,460,220 of wages are annually paid, and now turning out annually \$5,566,198,340 worth of American products.

In addition the avowed elimination of protection and a reduction to a basis of "revenue only" on other industries represented by 131,100 establishments, using capital to the amount of \$7,734,385,889, employing 2,821,614 wage earners to whom \$1,461,911,295 of wages are annually paid, and now turning out annually \$7,996,111,987 worth of American products.

The total of the manufactures of the United States, as shown by the Census of 1910, was 20 billion dollars. Here is a cold proposition from the Democratic Party, as the very first work

of its Democratic House of Representatives, to absolutely remove all duties on merchandise entering the country in direct competition with $5\frac{1}{2}$ billion dollars' worth of our manufactures, and to also remove all protective features of the duty on other articles competing with another 8 billion dollars' worth of our manufactures. This makes $13\frac{1}{2}$ billion dollars' worth of our manufactures, or two-thirds of the total product of our manufacturing establishments, which it is proposed to expose to the full competition of all the world, either by removing all duty, or reducing the duty to a "revenue only" basis.

The so-called "Farmers' Free List" bill alone removed all duties on articles of which the production in the United States amounts to nearly five billion dollars per annum, and gives employment to one million three hundred thousand persons, whose wages amount to six hundred and fifty million dollars per annum. The number of establishments producing the articles which this bill proposed to expose to the unrestricted competition of the cheap labor of the world is more than ten thousand, and the invested capital more than four billion dollars.

Of the iron, steel, and other metal products, represented by Schedule C of the tariff law, which the Democratic tariff reform measure proposes to reduce to a "tariff for revenue only" basis, the annual products in the United States exceed four and a half billion dollars in value, employing nearly one and a half million persons, paying over nine hundred million dollars in wages, and having invested capital of nearly five billion dollars.

Of the articles included in the cotton schedule, on which the Democratic bill proposed to reduce to a "tariff for revenue only" basis, the annual manufacture in the United States amounts to nearly one and a half billion dollars in value, the wage earners three quarters of a million in number, the annual wages paid more than three hundred million dollars, and the invested capital one and a third billion dollars.

Of the articles included in the wool schedule, likewise reduced to a "tariff for revenue only" basis, the value of the annual product in the United States is considerably more than one billion dollars, the number of persons employed nearly a half million, and their annual wages more than two hundred million dollars.

Of the articles included in the chemical schedule, also reduced to a "tariff for revenue only" basis, the value of the products in the United States is over eight hundred million dollars, the number of wage earners over one hundred thousand, and the wages about fifty-five million dollars per annum.

When we reflect that the total value of all the manufactures of the country is but about 20 billion dollars, and that the Democratic Party has passed bills *removing protection from $13\frac{1}{2}$ billion dollars' worth of manufactures, or two-thirds of the entire manufactured product of the country*, we can see how completely our manufacturers must expect to face foreign competition without the slightest degree of protection in case of the election of a Democratic President and Congress in 1912.

President Taft has stood like a rock against tariff measures which reduced the duty below a point which will afford a reasonable profit to our manufactures, interposing veto after veto to save them from destruction, but, with a free trade or "tariff for revenue only" President in the White House, and that element in control of both branches of Congress, the manufacturers of the country and their millions of employees may expect that the last shred of protection will be swept away.

In view of these facts the American people are commended to a prayerful consideration of Luke, chapter 23, verse 31, which reads:

For if they do these things in a green tree, what shall be done in the dry?

Summary of Domestic Industries, Democratic Tariff Legislation attempted in Sixty-second Congress, and disposition of same.

Articles.	Number of establishments. a	Capital invested. a	Wage earners employed. a	Annual wages paid. a	Annual production. a	Democratic party action. b	Final disposition.
Agricultural implements-----	640	Dollars. 256,281,086	Number. 50,551	Dollars. 28,608,615	Dollars. 146,329,268		
Bagging for cotton, burlaps, and bags or sacks, etc.	(c)	(c)	(c)	(c)	3,889,613		
Cotton ties of hoop or band iron, and wire for baling hay, etc.	(c)	(c)	(c)	(c)	10,429,681		
Leather, boots and shoes, harness, saddles and saddlery, etc.	5,728	659,281,812	309,766	155,110,878	992,713,322		
Barbed and other fence wire, wire rods, strands, rope, etc., suitable for fencing.	(c)	(c)	(c)	(c)	103,932,416		
Fresh and preserved meats-----	1,641	388,249,179	89,728	51,644,720	1,370,563,101		Vetoed by the President at extra session.
Flour, meal, bran, middlings, cereals and bread.	35,617	562,061,362	139,669	80,815,772	1,280,449,249		
Timber, lumber, laths, shingles, etc.	40,671	1,176,675,407	695,019	318,739,207	1,156,128,747		
Sewing machines, and parts of-----	47	33,103,704	19,296	11,102,026	28,262,416		
Salt -----	124	29,011,792	4,936	2,531,466	11,327,834		
Total-----	84,463	4,099,613,833	1,308,965	648,552,664	5,104,030,647		
Schedule A of tariff: Chemicals, oils, and paints.	7,869	647,031,693	110,275	54,778,542	803,858,980		Passed by Democratic House. Defeated in Senate.
						Tariff for revenue only; rates on finished products reduced; duties imposed on \$41,667,000 worth of imported articles taken from Payne tariff law free list; average ad valorem rate on total schedule increased 2.66 per cent; Democratic estimate of increase in importations, \$3,899,151.	

Articles.	Number of establishments. ^a	Capital invested. ^a	Wage earners employed. ^a	Annual wages paid. ^a	Annual production. ^a	Democratic party action. ^b	Final disposition.
Schedule C: Metals and manufactures of.	23,119	Dollars. 4,966,624,394	Number. 1,481,494	Dollars. 901,471,865	Dollars. 4,626,890,528	Tariff for revenue only; proposed reduction in average ad valorem rates 12.09 per cent; Democratic estimate of increase in importations, \$24,815,801.	First bill vetoed by President at extra session. Aug. 7, 1912, no final action at this date on new bill, which passed the House.
Schedule I: Cotton manufactures---	9,601	1,316,963,606	771,139	303,174,239	1,450,818,711	Tariff for revenue only; proposed reduction in average ad valorem rates of increase in importations, \$10,746,358.	Vetoed by the President at extra session. ^d
Schedule K: Wool and manufactures of.	8,912	804,766,196	458,706	202,486,649	1,114,543,763	Tariff for revenue only; proposed reduction in average ad valorem rates 47.55 per cent; Democratic estimate of increase in importations, \$63,831,000.	Do.d
Schedule E: Sugar, molasses, and manufactures of.	2,235	351,121,970	65,363	27,907,556	462,167,693	Free trade; proposed reduction in average ad valorem rates 54 per cent.	Aug. 7, 1912, no final action by Congress at this date.
Grand total-----	141,204	12,185,121,692	4,195,947	2,188,371,515	13,562,310,327		

^a Figures from the census of 1909 furnished by the Census Bureau.

^b Figures given are taken from reports of the Ways and Means Committee.

^c No data available.

^d Disregarding the report of the Tariff Board on the wool and cotton schedules, the same bills were again passed by the House in the second session.

NOTE—Total estimated revenue lost on—

Free list-----	\$10,028,989
Metal schedule-----	823,597
Cotton schedule-----	3,074,801
Wool schedule-----	1,348,349
Sugar schedule-----	52,700,000
Total decrease-----	67,975,736
Chemical schedule, increase-----	3,095,549
Estimated net decrease in revenue-----	64,880,187

BRIEF HISTORY OF THE TARIFFS OF THE UNITED STATES.

Protection to American labor and industry, the chief issue between the two great parties to-day, was one of the leading motives which led to the Constitution—in fact, said Webster, “Without that provision in the Constitution it never could have been adopted.” It is not to be wondered at then that the first revenue law placed upon our statute books provided for the encouragement and protection of manufacturers. While the list of articles enumerated was small as compared to the extended schedule of to-day, yet the law was found to be most effective in inaugurating an industrial policy and an industrial advance, which has continued with more or less force and with comparatively few interruptions to the present day. This first tariff law continued without material change until 1812, when the rates of duty were doubled, largely in order to obtain additional revenue with which to carry on the war with Great Britain then in progress. The increase in tariff rates, coupled with the prohibitions of non-intercourse, threw us on our resources and resulted in the establishment of many new industries, which, in spite of the ravages of war, brought immense increase of national wealth and business activity.

In a special message to Congress, February 20, 1815, President Madison asked—

“Deliberate consideration of the means to preserve and promote the manufactures which have sprung into existence and attained an unparalleled maturity throughout the United States during the period of the European wars.”

The law of 1812 terminated on February 17, 1816, by its own provision, one year after the ratification of the Treaty of Ghent. Fearing that the duties existing before the war would not afford sufficient protection to the newly established industries, it was the determination of the leaders of the time that those duties should be increased in the new law of 1816, and the intention was to make the tariff a thoroughly protective one; yet it proved a failure, as the framers of that tariff had not anticipated the inundation of goods with which our country would be flooded from abroad and particularly from England because of the stocks that had accumulated there for several years. We, therefore, experienced our first great industrial depression, which lasted until 1824, when the first thoroughly protective tariff law was enacted, by which, in the words of the late President McKinley: “The nation was quickened into new life, and the entire country under the tariff moved on to higher triumphs in industrial progress, and to a higher and better destiny for all of its people.” In 1828 still higher duties were substituted. The operation of the law brought great dissatisfaction in the South, and led to the compromise tariff of 1832, which provided for a gradual reduction every two years until only 20 per cent should remain. Long before the final reduction, however, the panic of 1837 came upon the country, bringing disaster on every hand and the greatest business depression which the country had up to that time known.

The election of the Whigs in 1840 was followed by the tariff of 1842—an adequate protection measure—and a revival of industry and prosperity immediately followed. But the Democrats again came into power in 1844, and under the leadership of the Secretary of the Treasury, Robert J. Walker, of Mississippi, a new law was framed in 1846 which remained in force until 1857, when the duties were further reduced and when another severe panic followed with accompanying distress to all phases of commerce and industry. This period from 1846 to 1860 was accompanied by the nearest approach to free trade in our history, and while the country enjoyed more or less progress and periods of prosperity in certain industrial lines, owing largely to demands abroad for our agricultural products, due to foreign wars and famines, yet in spite of these favorable conditions, the so-called Walker Tariff and tariff of 1857 brought widespread ruin to many of our industries and checked our industrial progress,

When the Republicans came into power in 1861, they were confronted with a country nearly bankrupt, with an empty Treasury, with industries prostrated, with expenditures exceeding receipts, and with an unfavorable balance of trade. Mr. Morrill, of Vermont, then Chairman of the Ways and Means Committee, framed a bill on protective tariff lines, the first measure enacted by the Republican Party, and the Republican Party has from that time to this persistently and consistently advocated and enacted tariff laws which during their operation have not only afforded sufficient revenue, but have given ample protection to American labor and industry against the competition of cheaper labor abroad. This first law, due to the wisdom of Republican leaders, was in no way intended to be a war measure, and after the war broke out and during four years of its continuance, it was repeatedly amended to meet existing conditions. After the close of the war and during the years which followed numerous changes were made, reducing many of the high rates made necessary as revenue producers during the war period, but the Republican principle of protection was retained so long as the legislative and executive power remained in the hands of the Republican Party.

The McKinley law enacted in 1890 was accepted by all Republicans and Protectionists as the best tariff law that had ever been framed up to that time. Under its operation the country was at the height of its prosperity and progress in 1892, when suddenly to the consternation of the industrial world a Democratic President was elected, and with him a Democratic Senate and House of Representatives. Anticipating the enactment of a tariff law largely for revenue only, a financial and industrial panic came over the country, which continued until it was arrested by the enactment of the so-called Dingley Tariff in 1897. Carrying out their threat, the Democrats framed and passed a low tariff bill in 1894, which became a law without the signature of the President and remained in force until July 24, 1897.

In 1897 the Dingley law, a distinctly protective measure, was enacted, and under it the United States enjoyed marked progress and prosperity. The importation of manufacturers' raw material, a test of the manufacturing activity of the country, grew from less than \$200,000,000 to \$477,000,000, the exports of manufactures from about \$300,000,000 to over \$700,000,000, and the individual bank deposits from \$5,000,000,000 to \$13,000,000,000.

By 1908, however, conditions had so changed in the United States as to suggest a revision of the tariff framed a dozen years earlier, and the Republican Party at its National Convention of that year pledged itself to a prompt revision upon the basis that "the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries."

In carrying out this pledge the Republican Congress framed and adopted the measure known as the Payne Tariff Law, which went into operation August 5, 1909. Necessarily, this new measure was framed without an opportunity to base its rates upon the difference in cost of production at home and abroad, because there had been, up to that time, no existing machinery of government to obtain this information. So the Payne law was framed upon the best information then available, and in this act itself provision was made for a maximum and minimum tariff and for the creation of a Tariff Board to obtain information from abroad on cost of production, upon which readjustments of the tariff law might be made from time to time, and schedule by schedule, as the information so obtained might suggest and justify.

That the Payne law, though confessedly framed without the information from abroad necessary for a complete application of the pledges of 1908 with reference to comparative production at home and abroad, has done splendid work can not be doubted by those who study its results. There were 654 decreases in duty, 220 increases and 1,150 items of the dutiable list in which

the rates were unchanged. Duties were decreased on articles which had a consumption value of nearly \$5,000,000,000 per annum and advanced on those articles which had a consumption value of less than \$1,000,000,000. The bill gave free hides and free oil, reduced the duty on iron ore 75 per cent, on coal 33 1/3 per cent, on lumber 37 1/2 per cent, on all classes of iron and steel manufactures very greatly; made large cuts in the rates on the necessities of life, and to offset this loss in revenue made large increases in the rates on luxuries. While certain features, especially the cotton and woolen schedules, were not satisfactory to the President, he signed the bill in the belief that these could and would be adjusted when the necessary information for intelligent action thereon should become available through the investigation by the proposed Tariff Board.

The practical results of the working of the Payne Tariff Law have been a source of gratification to those who have followed it and compared its workings with those of its predecessors during the past 22 years. The following official table showing the value of the free and dutiable merchandise imported, the ad valorem rates of duty and the duties collected under the entire operation of the McKinley, the Wilson and the Dingley laws respectively, and under the Payne law to the end of the fiscal year 1912, and the *monthly average* during the entire operation of each law, shows that the Payne law has, despite the criticism heaped upon it, made a fine record in the matter of importations free of duty, low ad valorem rates of duty and yet revenues sufficient to meet the requirements of the Government. Attention is especially called to the fact that the Payne law, which on June 30, 1912, had been in operation just the same number of months as that in which the Wilson law operated, showed average monthly imports free of duty more than double that of the Wilson law, a larger percentage of the total imports free of duty than did the Wilson law, lower ad valorem rates of duty, and yet average monthly revenues practically twice those produced by the Wilson law.

Our Principal Tariff Laws.

- 1789, July 4 Specific and ad valorem rates, latter from 5 to 15 per cent.
- 1790, August 10. Specific and ad valorem rates, latter from 3 to 15 1/2 per cent.
- 1791, March 3 .. This act only affected "spirits" paying specific duties.
- 1792, May 2 Specific and ad valorem rates, latter from 7 1/2 to 15 per cent.
- 1794, June 7 Specific and ad valorem rates, latter from 10 to 20 per cent.
- 1795, January 29. This act affected but few articles paying specific and ad valorem rates.
- 1797, March 3 .. This act affected but few articles paying specific and ad valorem rates.
- 1797, July 8 This act only affected salt paying a specific duty.
- 1800, May 13 ... This act affected but few articles paying specific and ad valorem rates.
- 1804, March 26 . This act, commonly called "Mediterranean fund," imposing an additional duty of 2 1/2 per cent. in addition to the duties now imposed by law.
- 1804, March 27 . This act affected but few articles paying specific rates.
- 1812, July 1 This act imposed DOUBLE DUTIES, known as

WAR DUTIES.

- 1813, July 29 ... This act only affected salt paying a specific duty.
- 1816, February 5. This act continued the double duties to 30th of June, 1817.

- 1816, April 27...Specific minimum and ad valorem rates, latter from $7\frac{1}{2}$ to 30 per cent.
- 1818, April 20...This act affected but few articles paying specific rates.
- 1819, March 3...This act only affected "wines" paying specific rates.
- 1824, May 22...Specific, minimum, compound, and ad valorem, latter from 12 to 50 per cent., the first really Protective tariff. Results were most beneficial.
- 1828, May 19...Known as the Tariff of Abominations. Specific, minimum, compound and ad valorem, latter from 20 to 50 per cent.
- 1828, May 24...This act only affected "wines" paying specific rates.
- 1830, May 20...This act only affected "coffee, tea, and cocoa" paying specific rates, and reducing the rates.
- 1830, May 29...This act only affected "molasses" paying specific rates.
- 1830, May 29...This act only affected "salt" paying specific rates.
- 1832, July 13...This act only affected "wines of France" paying specific rates.
- 1832, July 14...Specific, minimum, compound, and ad valorem, the latter from 5 to 50 per cent.
- 1833, March 2...Compromise act—looking to a reduction of duties to 20 per cent.
- 1841, Sept. 11...Specific and ad valorem, latter from $12\frac{1}{2}$ to 20 per cent.
- 1842, August 30...Specific, minimum, compound, and ad valorem, the latter from 1 to 50 per cent.
- 1846, July 30...The rates of duty imposed by this act were exclusively ad valorem, and arranged by schedules.
- 1857, March 3...A further reduction of rates which were exclusively ad valorem, arranged by schedules.
- 1861, March 2...Went into effect April 12, 1861. Intended to raise the necessary revenue for the Government expenditures and afford protection to our labor and industries.
- 1861, August 5...First of the war tariffs, large increase in duties.
- 1861, Dec. 24...Duties increased on sugar, tea and coffee.
- 1862, July 14...Went into effect August 2, 1862. Further increase of rates.
- 1863, March 3;
1864, April 20,
June 30; 1865,
March 5; 1866,
March 15, July
28) Bills changing and generally increasing duties.
- 1867, March 2...Rates increased on wool and woollens, giving great benefit to those industries.
- 1870, July 14,
December 20...General changes. Free list largely reduced. Duty of \$28 per ton on steel rails.
- 1872, May 1....Tea and coffee made free.
- 1872, June 6....Went into effect August 1, 1872. Reduction of 10 per cent. Increased free list.
- 1875, February 8...Revised statute, with slight and unimportant changes.
- 1874, June 22...Known as the "Little Tariff Bill." General changes.
- 1875, March 3...Rates increased on sugar. Repeal of the 10 per cent reduction of Act of June 6, 1872
- 1879, July 1....Quinine made free.
- 1880, July 14...A few unimportant changes.
- 1882, May 6 and
December 3...Repeals discriminating duty.
- 1883, March 3...Went into effect July 1, 1883. Known as the Tariff Commission Bill. General revision,

reduction and increased free list. Severe blow to wool industry.

1890, October 1. Went into effect October 6, 1890. Known as the McKinley Bill. Changes from ad valorem to specific rates. Enlarged free list.

Sugar made free, a bounty being substituted. Reciprocity law.

1894, August 27. Known as the Gorman-Wilson Bill. Became a law without the President's signature. General reduction of duties. Wool put on free list. Results, both anticipatory and actual, were disastrous to all industry and labor.

1897, July 24... Known as the Dingley Law. A distinctively protective tariff, under which general prosperity prevailed in all lines of industry, trade and transportation. In operation 12 years.

1909, August 5.. Known as Payne Tariff Law—Protective, but a decided reduction in many rates of duty. Resulted in large increase in imports of free merchandise, low ad valorem rates of duty and increased revenue.

What is the Purpose of a Tariff?

The primary idea in levying a tax upon merchandise entering a community or State was to require persons from abroad trading in that community to bear their proper share in the public expenditures. The tranquillity and order of the community and hence its commercial possibilities, were maintained by the government, for whose support the local producers and merchants were taxed, and it was held that merchants from abroad desiring to enjoy the privilege of trading in that community should contribute their proper share to the maintenance of the government, which assured commercial privileges, and that they should contribute a relatively larger percentage of the value of the merchandise sold than was required of the local dealer because the foreign merchant carried away with him his profits, while the domestic producer or dealer expended his profits in the home community in the support of his family or in the employment of other members of the community. Hence the tariff—a tax upon merchandise entering a community from abroad.

DANGER FROM OUTSIDE COMPETITION INCREASING.

Originally the danger to domestic industries from foreign competition was much less than at the present time. Merchandise brought into any country from abroad must first bear the cost of transportation, and in times when the cost of transportation was great, and when goods were necessarily transported by animal power and by sailing vessels only, this high cost of carriage was of itself a protection to the domestic producer in any country. True, the producer of merchandise just across the border line of a country had an enormous advantage over the producer a thousand or five thousand miles distant, but as only a small proportion of the producers were located near to the border line such countries did not find it necessary to establish high tariffs to protect their own producers or manufacturers. The distance which foreign goods must be carried and the cost of transportation over the distance alone serve to create a protective wall for the domestic producer. In late years these conditions of distance and transportation have absolutely changed. The railroad and the modern steamship have reduced the cost of transportation compared with that in the early part or even in the middle of the century just ended; while the telegraph and the telephone have annihilated distance and time. Merchandise from the interior of Europe, ordered by telephone, telegraph, and cable, transported from its place of production by trolley road, canalized rivers, or boats operated by steam or electricity, or by railway to the Atlantic, and thence by great

steamships, built to carry hundreds of carloads at a single voyage across the ocean, and again transported to the interior of the United States by the cheapest land transportation ever known to man, can be placed at the door of the consumer in the Mississippi Valley for a very small percentage of the cost of transporting the same at the middle of the last century.

CHEAP FREIGHTS HAVE DESTROYED NATURAL PROTECTION.

As a result the protection which distance and the cost of transportation afforded to the local producer has disappeared, and without a protective tariff, established by the Government, he has as his direct competitor the low-priced labor of any and every part of the world. The cheap labor of the densely populated countries of Europe, the 140 million low-priced workers of Russia, the 300 million people of India, whose average wage is but a few cents per day, and the 400 million workers of China are to-day as much the competitors of the workman of the United States as though they were located but just across the border. Modern methods of transportation and communication have brought these great masses of producers to our very doors, and without the protection which the tariff affords would place that cheap labor in as close competition with our own as it would have been a half century ago if located but a hundred miles away.

As an example of the reduction in cost of transportation may be cited the fact that the annual average freight rate on wheat from Chicago to Liverpool, by the cheapest method of transportation, in 1873 was 40 cents per bushel and in 1903 eight cents per bushel, or but one-fifth that of only 30 years earlier. Comparing conditions now with those of the early part of the last century the reduction is still greater, and the cost of transportation at the present time may safely be said to be less than one-tenth of that then existing. An illustration of the reduction in cost of transportation through modern methods is found in the fact that the census of 1880 showed that the railways could transport a ton of wheat for a given distance as cheaply as a single bushel could be transported the same distance by horse power, and railway rates have fallen practically one-half since that time. That high authority the Encyclopedia Britannica states in its 1903 edition that the mechanic in Liverpool *may now pay with one day's wages the entire cost of transporting a year's supply of bread and meat for one man from Chicago to that city.*

These facts illustrate how completely modern methods have destroyed the protection which the local producer formerly had against foreign competitors, and explain the reason why modern governments have found it necessary, one by one, to adopt the protective system, until now many men in the most ardent and chief remaining supporter of the nonprotective system, the United Kingdom, are seriously discussing the adoption of a protective tariff. This gradual destruction of the natural protection formerly afforded by distance and cost of transportation accounts for the fact that it has been found necessary to maintain the protective tariff on the various industries as they have developed, and that this necessity for maintaining protection for those industries has meantime been recognized by all other leading manufacturing countries of the world whose industries were developed even before those of the United States, except in the case of the United Kingdom, whose people are now clamoring for a return to protection of their long established domestic industries. This reduction in cost of transportation is indeed one of the chief causes of the steady movement toward protection which has characterized the history of the world during the last half century. The fact that, with improved methods of transportation and a narrowing of distances and cheapening of cost of transportation, the whole world has become the next-door neighbor of each community has compelled that community to establish tariff duties of a

character which would reduce the competition offered by the cheap labor of those communities against which distance no longer affords protection.

Practically all of the 500,000 miles of railway and 16 million tons of steamship tonnage with which the world is now supplied have been created since the middle of last century; the world's international commerce has quadrupled while the world's population was increasing but 50 per cent, and during that very period the nations of the world have one by one found it necessary to establish tariff protection to take the place of that protection which distance and high cost of transportation formerly afforded.

TRUSTS HAVE LONG FLOURISHED IN FREE TRADE ENGLAND.

No one familiar with the history of trusts and great combinations in other parts of the world can for a moment accept as accurate the assertion that the tariff is responsible for the existence of organizations of this general character, whether under the title of trusts or otherwise. Mr. Blaine, in 1888, on returning from a visit to Europe, declared in his speech opening the Presidential campaign of that year that trusts and combinations to control prices even at that early date existed in free-trade England in large numbers; or, as Senator Dolliver has recently expressed it, "England was even then plastered all over with trusts." In October, 1895, a steel-rail trust which embraced the steel-rail manufacturers of Great Britain was organized, and on February 5, 1896, the London Ironmonger announced the details of its agreement, the chief among them being that "there is to be no underselling." In 1895 the Sheffield Telegraph published the draft of a scheme proposing the combination of 200 iron firms in the various cities of England for the purpose of regulating the prices of all classes of iron. In 1897 the details of the combination between the great armament manufacturing firms were announced. Some of the great combinations in England for the control of prices of articles in common use were organized as early as 1890, among them the following: The Salt Union, Limited, with a capital of \$10,000,000; in the same year, the Alkali Company, combining 43 manufacturing establishments, with a capital of \$30,000,000; the J. & P. Coates Company, thread manufacturers, in 1896, a combination of four businesses, with a capital of \$27,000,000; another cotton thread organization, a year later, combining 15 manufacturing establishments with a capital of \$14,000,000; a combination of cotton spinners in 1898, combining 31 establishments with a capital of \$30,000,000; in the same year a combination of the dyeing interests, combining 22 establishments with a capital of \$22,000,000; also in the same year a combination of the Yorkshire Wool Combers, combining 38 establishments with a capital of \$12,000,000; also in 1898 a combination of 60 calico printing establishments with a capital of \$46,000,000; in 1900 a combination of 28 wall paper manufacturers with a capital of \$21,000,000, and in the same year a combination of 46 establishments of cotton and wool dyeing organizations with a capital of \$15,000,000. In the decade 1890-1900 the public announcements of combinations in free-trade England included 328 different business concerns amalgamated into 15 great organizations with a total capital of \$230,000,000, while a very large number of minor organizations and those which were not made public should be added to the list to render it complete. Many great combinations have been organized in free-trade England since 1900, and are still being organized, but this history of the decade in which great combinations of capital of this character were common in all parts of the world where manufacturing capital is plentiful is sufficient to show; that such combinations and organizations are not confined to protection countries, but on the contrary flourish with equal vigor in the one free-trade country in which a sufficient amount of capital exists to justify the organization of combinations of this kind.

EXPORT PRICE REDUCTION IN FREE TRADE ENGLAND.

Exportation at prices below those of the home market is not in any sense the result of or accomplished by the aid of a protective tariff. It is practiced more freely in free-trade Great Britain than in any other country. United States Consul Rufus Fleming, writing from his post in Edinburgh, Scotland, in an official report on this subject says:

"It is the policy of British manufacturers to maintain prices in the home markets at the highest possible level and to make *whatever concessions may be necessary in foreign markets*," said the manager director of a leading British metal-working company to me. He referred to the industries in general, excepting such as are based largely upon the manufacture of low-grade goods for the foreign trade. There can be no doubt that this manufacturer spoke with full knowledge of the subject. His opinion is corroborated by investigation in various departments of production. *Cutting prices in foreign markets* to meet competition, or to prevent competition, as the case may be, is a *common practice*, the length to which it is carried depending altogether on circumstances, chiefly on stocks and labor conditions. When a considerable surplus remains on the hands of the producer the effort is, to avoid overloading the home market and thus reducing the price of the bulk of the product, to sell the surplus in foreign countries *at the best price obtainable*.

"At all times, even when great trade conditions at home and abroad are excellent, *it is the rule in British industries to quote lower prices to foreign buyers and British exporters than to the average domestic trader*. The difference in favor of the foreigner or exporter ranges from 4 to 6 per cent. The British maker of an important machine informs me that, although he has no competition, he quotes the machine to customers in Belgium and one or two other countries on the Continent at 15 per cent less than the price at which it is sold in this country. The reason is that these Belgian and other Continental firms will not pay more than a certain amount for it, and he comes to their terms in order to obviate the danger of competition arising from the invention and manufacture of a similar apparatus in Belgium or elsewhere: He told me that he would sell abroad, in the present state of trade, at any price he could get above cost. Another example of sales made in a foreign market at much below home prices has fallen *directly under my notice*. I have seen invoices of a British firm of steel wire manufacturers to German buyers in which the prices were fully 20½ per cent lower than the prices quoted to home customers. This reduction was not due to an extraordinary surplus, but principally to a determination to put a certain line of goods into a competitive market."

PRESENT TARIFF SYSTEMS OF THE WORLD.

Three types of tariff systems have been adopted by leading nations during the more recent period. The earliest type is the single, or "autonomous," tariff. It is made up of schedules or rates which apply uniformly to imports from all countries, no favor or discrimination being shown to any one of them. It is also called "autonomous" because it is the result of domestic legislation only, with regard primarily to the wants and interests of national industry.

The best example of an autonomous, non-protectionist tariff is presented by the British tariff, the duties of which are purely fiscal in character and therefore not adapted for change or reduction by tariff agreements.

The tariff systems adopted by most countries of the European continent differ from the British system, each tariff having a double column of rates. The rates in the second columns are of course never higher than in the first column, and as a rule—lower.

In case this double set of rates is the result primarily of domestic *legislation* and the mere application of these rates to the various countries the result of international bargaining, the tariff is designated as a "maximum and minimum" tariff. Examples of this system are presented by the tariffs of France, Spain, and Norway. Whenever this second set of rates is primarily not the result of domestic legislation but of international bargaining, such a tariff is spoken of as a "general and conventional" tariff. Typical examples of the conventional system are the German, Austro-Hungarian, Italian, Swiss, and Russian tariffs.

It can not be said that any of the three forms of tariffs described is peculiarly suited to a protective system. The German general and conventional tariff and the French maximum and minimum tariff are both moderately protective, while among the single tariff countries Great Britain with its free trade system and Portugal with its extreme protection are alike to be found. In its strictest form the theory of free trade is opposed to the concession of tariff reductions in favor of particular countries, and countries adhering to that doctrine must consequently employ the single tariff.

THE MAXIMUM AND MINIMUM SYSTEM DESCRIBED.

As may be seen from the short definitions just given, both the "maximum and minimum" and the "general and conventional" tariff systems presuppose international bargaining and agreements. The difference between the two systems is, that in the case of the maximum and minimum tariff systems the legislative body of the country from the outset fixes the limits within which concessions to foreign countries may be made by the Executive. After this type of tariff has been adopted by the national legislature the domestic producer is assured of a minimum degree of protection which can not be reduced by the Executive through negotiations with foreign countries. Furthermore, the legislature may restrict the number of articles to which two sets of rates are applicable. For example, the French tariff provides only for a single rate of duties on the principal breadstuffs.

THE CONVENTIONAL SYSTEM DESCRIBED.

In the case of the general and conventional tariff systems the legislature fixes from the outset one set of duties only, which is sometimes called the autonomous set, being the result of autonomous national legislation. The process by which the second set of duties is attained is normally as follows: Country A and Country B, both having passed their autonomous tariffs, open negotiations through specially appointed agents with the view of obtaining reciprocal concessions from the rates found in the respective autonomous tariffs. Assuming that Country A is an exporter of agricultural and mining products, its negotiators naturally will attempt to obtain reductions of duty on the above products without paying attention to the autonomous rates found in the tariff of Country B on articles in the exportation of which their country is not interested. In case Country B is an exporter of textiles and chemicals the negotiators representing Country B will be interested in having the rates on these products only reduced by Country A. If the concessions granted by one side are found to be equivalent to those granted by the other, new sets of rates will be constructed which, as a rule, will be lower in either tariff than the rates on the same articles adopted originally by the legislatures of the two countries. Sometimes the result of such negotiations is that some conventional rate adopted does not differ from the original autonomous rate, but is merely "fixed" or "bound" for the period of time during which the tariff agreement is to last. The conventional tariff schedule which results from such negotiations is therefore

composed of reduced and "bound" or "fixed" rates. The general schedule may be changed at any time without violating any of the provisions of the treaty; the conventional rates must remain in force during the life of the treaty and may be changed only by the consent of both parties, although they may be reduced by the conclusion of additional treaties.

Such negotiations usually are carried on with more than one country and result in reductions or binding of rates on various groups of articles in the exportation of which the particular countries are interested. In case a country does not care to enter into such special tariff negotiations, relying merely on the most favored nation clause in its commercial treaty with the other country, all the conventional rates accorded to other countries as the result of special negotiations are granted to the first country as a matter of course. For example, the United Kingdom, by reason of its most favored nation clause, obtained without special negotiations all the conventional rates granted by Germany in 1905-1906 to Russia, Austria-Hungary, Italy, Switzerland, Belgium, Servia, Roumania, Sweden, Bulgaria and Greece. Inasmuch as the greater part of the countries also concluded commercial agreements with each other and extended the concessions granted to any one of them to all others having most favored nation clauses in their treaties, it follows that all concessions granted originally only to one country in the cycle are applicable to importations from all other countries entitled to such concessions by reason of their most favored nation clause. It is seen therefore that the application of the original general tariff adopted by the legislature is considerably modified by the conclusion of commercial treaties and that the conventional rates are the ones normally applied. These rates come into force by legislative enactment, each tariff convention or treaty with its set of new conventional rates being subject to sanction by the legislature. The conclusion of such tariff treaties on the part of the negotiators therefore presupposes not only an expert knowledge of the export industries, for which concessions are to be obtained, but also of the limits of concessions from the rates of the general tariff which may be granted without endangering the adoption of the tariff treaty by the legislature of their own country. For it must be understood that the terms of the treaty can not be modified by the legislature, which merely reserves the right to adopt or reject the treaty as a whole. In the case of the maximum and minimum tariff, unless the right to grant all or certain minimum rates for equivalent concessions is specially conferred upon the Executive by the legislature, a similar legislative sanction is necessary, though from what has been said above, it is manifest that the scope and freedom of the negotiators is more limited and restricted.

DIFFERENCE BETWEEN THE CONVENTIONAL AND THE MAXIMUM AND MINIMUM SYSTEMS.

The most important difference between the two types of the double tariff system is that the maximum and minimum tariff leaves the Government free to change either the maximum or minimum rates whenever circumstances and changed industrial conditions make such action advisable. All that the Government binds itself to do with regard to the foreign country is to accord to it its minimum tariff. As the French negotiators put it in their letter to the Canadian delegates during the negotiations of their existing reciprocity treaty, "it is a principle in French customs legislation that the Administration can not renounce its right to revise or modify the tariff." Under the system of conventional tariffs the contracting powers specify the exact rate of duty to be respectively applied to each other's products, and while the general rates may be moved up or down during the lifetime of the treaty, the conventional rates can not be raised during this period except by mutual consent. In order to insure stability of rates, tariff conventions, as a rule, are concluded for a certain number of years—not less than five,

but usually for a longer period, ten or even twelve years. It is plain that either system has its advantages and disadvantages and no *a priori* judgment regarding the respective merits of the two systems is possible.

The Position of the United States.

The Payne-Aldrich Tariff of August 5, 1909, adopted the principle of maximum and minimum rates, the tariff rates mentioned therein constituting the minimum tariff, while the maximum rates are higher by 25 per cent ad valorem. The minimum rates apply to the products of all countries, which do not unduly discriminate against imports from or exports to the United States. For the purpose of ascertaining whether such discriminations were practiced and in order to eliminate them where possible, the newly established Tariff Board in conjunction with the State Department undertook a careful examination of all existing foreign tariffs. As the result of such examination and negotiations with certain foreign governments, the President by individual proclamations extended the benefit of the new minimum rates to all the various foreign countries. Under the terms of Section 2 of the 1909 tariff, the minimum rates may be withdrawn at any time upon 90 days' notice whenever the President is satisfied that the conditions which led to the issuance of the original proclamation no longer exist. The negotiations with Germany resulted in the extension to the United States of the then existing conventional rates of the German tariff. In the case of France negotiations lasted until March 29, 1910, when the new French tariff and a separate measure regulating the importation of United States products were enacted. Under this arrangement American products covered by 93 tariff numbers are admitted at the minimum rates, including the 25 so admitted under the former arrangement and 68 additional numbers, of which 44 cover manufactured articles. In addition certain articles, practically all manufactures, included under 23 different tariffs numbers, are admitted at the rates of the old tariff, which rates are in most cases intermediate between the maximum and minimum rates of the new tariff. These latter rates are "bound" or "fixed," i.e., cannot be advanced except by mutual consent, while the minimum rates conceded are subject to change at the will of the French Government, provided, of course, that as the result of such change they do not become discriminatory against the United States.

The new tariff preserved the reciprocity convention between the United States and Cuba, by the terms of which Cuban products are granted a 20 per cent reduction when imported into this country, while American products, with the exception of tobacco, are admitted into Cuba at rates from 20 to 40 per cent below those imposed on similar articles originating elsewhere.

An interesting feature of the reciprocity treaty between Cuba and the United States is the provision in Article VIII which limits the concession on Cuban sugar to a 20 per cent reduction from the rates provided by the tariff act approved July 24, 1897, and specifies that no sugar from a foreign country shall be admitted into the United States, during the life of the reciprocity treaty with Cuba, at a lower rate of duty than that provided by the tariff act approved July 24, 1897.

Trade between the United States and the Philippine Islands has been placed on a free trade basis, except in the case of rice, which is left dutiable, and sugar and tobacco, of which only limited quantities are admitted into this country free of duty.

European Interpretation of the Most Favored Nation Clause.

Mention has been made of the "most favored nation clause," by reason of which countries obtain more favored treatment freely and as a matter of course without special negotiations or equivalents. Inasmuch as the European interpretation of this clause differs considerably from ours a few words of explanation seem necessary. The American view or interpretation of

this clause is that every favor or concession granted by a treaty is to be compensated by a definite and positive concession of some sort in return, and that the American Government reserves to itself the right to judge in each particular case of the adequacy of the return favor or concession. In opposition to this construction of the clause the one now accepted by European countries in their commercial relations is that all concessions and favors given to a third party shall be at once and without any special return extended to the other party to whom most favored nation treatment is guaranteed. The result is that a nation having been granted the most favored nation clause by its neighbor is assured that while this clause is in force it will not be treated less favorably than any other nation. In the first place, then, favors or concessions given to any other country are at once and as a matter of course given to all other nations entitled to most favored nation treatment. And, second, these concessions are given without any special compensation even though they were secured by the first country in return for specific and important concessions.

Such an interpretation of the clause in connection with a special tariff agreement assures to the parties concerned the maximum possible benefits in the markets of the other contracting party. Either country when sufficiently interested has an opportunity of obtaining the greatest possible concessions for its own export industries by granting through direct negotiations return concessions on its own general rates. Moreover, it is assured that subsequent tariff treaties with other countries will not make less favorable its position in its neighbor's market, inasmuch as all such subsequent concessions and favors granted to a third party will, as a matter of course, and without further concessions on its own part, be extended to it by reason of its most favored nation clause.

It is therefore seen that the conventional tariff system is closely interwoven with the most favored nation clause. The United Kingdom, having duties on but few articles and no concessions to offer, is unable to make special tariff agreements and must be satisfied with benefits reflected to it merely through its most favored nation clause. For no matter how large the circle of countries that conclude special tariff agreements with conventional rates, it is plain, from what has been said above, that the reduction or "binding" of rates will apply only to articles which constitute, so as to say, the special field of the respective countries. These reductions or concessions may or may not be of special importance to other countries which receive the more favorable rates through the most favored nation clause only.

Protection creates a home market, without which the cultivators of land in America would be but little better off than our aborigines.—Hon. J. S. Morrill.

Protection furnishes an opportunity for every person to find the employment best adapted to his or her genius and capacity that will secure the largest income or the greatest happiness.—Hon. J. S. Morrill, in the "American Economist."

They tell us that a protective tariff was only designed for infant industries, that we have outgrown that infancy and are no longer in need of the duties that enabled us to get them started. We have grown, it is true. Our great industrial concerns are monsters now, but let me tell you, as the boy said who waited till he had grown up before tackling a youthful opponent, the other fellow has grown up too.—Hon. James S. Sherman.

But the most gratifying feature of this picture of banking and financial conditions in our country is the fact that deposits in savings banks—those institutions for the safe-keeping of the earnings of workingmen and widows and orphans and children of the country—have increased from \$550,000,000 in 1870 to \$4,212,000,000, in 1911. What say you business men, of the future of a country whose workingmen and working women and children have four billion dollars laid aside for a "rainy day."—O. P. Austin.

THE ADVANCE IN THE COST OF LIVING.

The increasing cost in recent years of the common necessities and comforts of life has presented a serious problem to the masses of the people, not alone from the practical side of adjusting expenses to earnings, but also as to the political and economic side, as to whether the advance is due to conditions peculiar to the system being applied in our government. It has been charged and is being constantly charged that it is due, in some mysterious way, to the protective tariff and to other conditions assumed to be related to the protective system.

The most striking feature of the situation, however, is that the advance is not confined to this country or to the countries having protective tariffs, but is world-wide, and that in every country the same kind of an agitation is going on, with more or less effort to lay the blame upon "the party in power," or upon some local condition. During the summer of 1911, serious disturbances occurred in several countries of Europe as a result of the prevailing high prices for food supplies. In nearly all countries official commissions or other investigating bodies have been appointed to search for the cause of the upward movement. In Great Britain, the Board of Trade, which is an official organization, has made an investigation of the cost of living not only in England but also in Germany, France, Belgium and the United States. In this country a select committee of the United States Senate conducted an investigation which extended by the co-operation of our consular officials to all important countries, and a number of the States and municipalities carried on independent inquiries. Notable among the latter were those made by the State of Massachusetts and the municipality of New York.

INFLUENCE OF NEW GOLD SUPPLIES.

These investigations, while developing many conflicting opinions as to minor influences, have shown a notable uniformity of results upon some important phases of the subject. There is general agreement that the rapid increase which has occurred in the supply of gold, the world's measure of value, has been an important factor. The comparison of commodities with gold is affected of course by the supply of gold as well as by the supply of commodities, and the world's stock of gold has been increasing very rapidly. From the discovery of America in 1492 to the discovery of gold in California and Australia about 1850, the world's gold production averaged less than 10 million dollars per annum. From 1850 to 1890 it averaged about 120 millions per annum. Since 1890 the increase has been very rapid, as will be seen by the following table of gold production of the world, as reported annually by the Bureau of the Mint, United States Treasury Department:

1891.....	\$130,650,000
• 1892.....	146,815,100
1893.....	157,494,800
1894.....	181,175,600
1895.....	198,763,600
1896.....	202,251,600
1897.....	237,073,700
1898.....	286,879,700
1899.....	306,724,100
1900.....	255,634,500
1901.....	263,374,700
1902.....	296,737,600
1903.....	327,702,700

1904.....	\$347,087,300
1905.....	380,288,700
1906.....	402,503,000
1907.....	412,966,600
1908.....	442,476,900
1909.....	454,145,700
1910.....	454,703,900
1911 (Estimated)	461,000,000

The precise extent to which these new supplies of gold entering for the most part the bank reserves of the principal financial centers and thus becoming the basis of credit, have affected prices can not be determined, as the influence is an intangible one, but it is generally conceded to be one of the universal factors. The Bureau of Statistics estimates that the world's stock of gold has about doubled in the last 25 years, and increased approximately 50 per cent in the last decade.

That the leading economists and students of the world believe the increased gold production one of the basic causes of the advance in cost of living can not be doubted. A series of inquiries recently made among this class of our own people shows that this is the view of a large number of men whose opinions are worthy of thoughtful attention. Among those expressing this opinion were Prof. Irving Fisher, Professor of Economics at Yale; Joseph French Johnson, Dean of the School of Commerce, New York University; Henry R. Seager, Professor of Economics, Columbia University; E. W. Kemmerer, Professor of Economics, Cornell University, and many others.

GAIN OF POPULATION UPON FOOD SUPPLIES.

In the United States there are also local causes for the advance, but not chargeable to the protective system. One of these causes is the rapid growth of population and the simultaneous disappearance of new tillable land available for homestead entry. Down to very recent years, there had always been an abundance of free or cheap raw lands to which our population constantly overflowed. As the railroads were built into the new prairie States emigrants came from all the countries of Europe, eager to possess themselves of homes at almost no cost beyond that of occupancy. The man with capital enough to provide a team of horses, wagon and plow could become a producer of the principal staples. One direct result of these conditions and the rapid settlement which ensued was that it kept the prices of farm products very low, and often abnormally low. They frequently brought scarcely enough to pay laborer's wages to the farmer and the working members of his family. The condition of the farmer was a constant subject of anxious comment, and it was frequently asserted that the farms of the country were covered with mortgages which never could be paid.

These conditions have radically changed. There are no more rich prairies open to settlement. Population has spread over them and crowded out on the borders of the arid region where irrigation is necessary to sustain crops. The lands which remain require the expenditure of considerable capital for drainage, irrigation or clearing, to bring them into cultivation. The cities, with the growth of the manufacturing industries, continue to grow rapidly in population, and the growth in acreage of land in cultivation does not keep pace with the growing demand for food and other farm products.

RISE IN LAND VALUES.

The effect of these conditions is seen in the rising prices of farming lands, the average value of all the farming land in the United States, exclusive of buildings, having increased 108 per cent from the census of 1900 to that of 1910.

The average value per acre of all farms, including buildings, in the several geographical divisions of the United States, as shown by the 1910 census, and the percentage of increase over the value shown by the census of 1900 is given on the following page:

	Value per acre in 1910.	Percentage of increase from 1900 to 1910.
New England:		
Maine	\$36.45	36.0
New Hampshire		
Vermont		
Massachusetts		
Rhode Island		
Connecticut		
Middle Atlantic:		
New York	\$56.56	25.3
New Jersey		
Pennsylvania		
East North Central:		
Ohio	\$75.25	60.3
Indiana		
Illinois		
Michigan		
Wisconsin		
West North Central:		
Minnesota	\$49.92	149.7
Iowa		
Missouri		
North Dakota		
South Dakota		
Nebraska		
Kansas		
South Atlantic:		
Delaware	\$23.96	106.1
Maryland		
District of Columbia		
Virginia		
West Virginia		
North Carolina		
South Carolina		
Georgia		
Florida		
East South Central:		
Kentucky	\$21.32	86.2
Tennessee		
Alabama		
Mississippi		
West South Central:		
Arkansas	\$18.50	174.7
Louisiana		
Oklahoma		
Texas		
Mountain:		
Montana	\$22.16	289.6
Idaho		
Wyoming		
Colorado		
New Mexico		
Arizona		
Utah		
Nevada		
Pacific		
Washington	\$48.23	159.2
Oregon		
California		

MOVEMENT FROM FARMS TO CITIES AND MANUFACTURING CENTERS.

The growth of urban as compared with rural population, as shown by the last four censuses, is as follows, all towns of less than 2,500 being included in "rural population," and all of the larger towns and cities in the group designated as "urban:"

SHARE WHICH URBAN AND RURAL POPULATION FORMED, RESPECTIVELY, IN THE TOTAL POPULATION OF THE UNITED STATES.

	1910.	1900.	1890.	1880.
	Per cent.	Per cent.	Per cent.	Per cent.
Urban	46.3	40.5	36.1	29.5
Rural	53.7	59.5	63.9	70.5
	100	100	100	100

In the last ten years urban, or city, population increased 34.8 per cent, and rural population increased but 11.2 per cent. The total population increased 21 per cent in the same time, while the acreage in all of the cereal crops (including corn, wheat, oats, barley, rye, buckwheat, Kaffir corn and rice) increased only 3.5 per cent, and the actual yield in 1909 was only 1.6 greater than in 1899.

The country produced 58.4 bushels of the cereals (corn, wheat, oats, barley, rye, buckwheat, Kaffir corn and rice) per head of population in 1899, and only 49.1 bushels in 1909. Corn is the chief meat-producing crop and the corn crop of the United States is 75 per cent of the world's crop. The acreage was but 3.7 per cent greater in 1909 than in 1899, and the yield was actually 4.3 per cent less, and the corn crop of 1911 was less than that of 1909.

The hay crop of 1911 was the smallest since 1895, being 47,440,000 tons, compared with an average of 63,507,400 tons for the next previous five years, and hay is a vital factor in the price of milk, butter and beef.

These figures show the conditions now affecting the production and prices of food. But the prices of clothing and shoes are almost as directly related to agricultural conditions as are the prices of meat and flour. Cotton, wool and hides are the raw materials in the one case, as corn, wheat and hay are in the other, and they are surrounded by the same general conditions. The cost of food, clothing, and shelter is the basis upon which the entire fabric of prices is constructed. When they go up wages must go up, and through wages the cost of all manufactured goods, of transportation, and of conducting every kind of business are affected.

It is generally recognized from these facts that one of the important factors in the rise of prices in the United States is the change in fundamental conditions affecting the supplies of food and raw materials. The more complete occupation of the country has affected the cost of primary products. We are not getting as much for nothing as we did in the years when timber was counted an encumbrance to the soil and land was free to all who would cultivate it or grow food animals upon its untilled areas.

Moreover, this change in conditions within the United States has undoubtedly been more or less influential upon world prices, for the United States in the past has been one of the largest sellers of food stuffs in all important markets. Our exports of wheat, including flour in terms of wheat, were but 69,000,000 bushels in 1911, against 216,000,000 a decade earlier; of corn 66,000,000 bushels, against 213,000,000 in 1900; of cattle 150,000 against 352,000,000 in 1901. As our population gains upon our own supplies we have less to sell abroad, and the world has no new source of supply able to take the place of the United States. Indeed, in European countries the same tendency for population to gain upon food supplies is evident. Their lands were long ago quite fully in cultivation, but the population goes on increasing.

The record shows that the class of commodities which have everywhere had the greatest advance are those of which the United States was formerly a large exporter and upon which prices in the United States have been lower than in Europe. Upon the prices of such commodities our customs tariff plainly has not been a controlling influence.

BUREAU OF LABOR FIGURES ON ADVANCE OF PRICES.

The Bureau of Labor of the United States has made a very careful compilation of wholesale prices upon 257 common commodities, averaged by the highest and lowest prices of each month in every year, from 1890 to 1911, inclusive.

Its figures show that the general price level upon all these commodities advanced from 1900 to 1911 by 17 per cent.

Farm products advanced.....	47.9
Food, etc.	26.0

Cloths and clothing	12.0
Fuel and lighting	1.2
Metals and implements decreased.....	0.9
Lumber and building materials advanced.....	31.3
Drugs and chemicals advanced.....	4.0
House furnishing goods advanced.....	4.7
Miscellaneous commodities advanced.....	19.5

It will be seen that the largest advance was in farm products and the next largest in lumber and building materials, both of which are largely traceable to the general cause stated above, and in the matter of farm products can not be charged to control or manipulation by trusts.

Caution should be observed in comparing prices with past years against using the years 1894-1897 as a basis. This is frequently done for the purpose of making the advance appear as large as possible, but the years 1896-97 were during a period of abnormal conditions. Prices were lower then than in the preceding years or at any time within the past fifty years. Farm products, particularly during those years of low tariff, actual or prospective, were so depressed that conditions in agriculture were ruinous.

The general average price of the entire list of 257 commodities covered by the Bureau of Labor compilation in 1911 was 129.3 per cent of the average of the same commodities for the ten years 1890-1899.

RELATIVE PRICES OF RAW AND MANUFACTURED COMMODITIES, 1890 to 1911.

The Bureau of Labor has made another table, showing the changes in the prices of raw commodities and manufactured goods separately, for each year since and including 1890. The figures represent the percentage of each year's average, based on the average price of the ten years 1890-1899. In other words, the prices of raw commodities in 1890 averaged 115 per cent of the prices of the same commodities during the ten year period 1890-1899, and in 1911 they were 139.9 per cent of the same base:

Years.	Raw commodities.	Manufactured commodities.	All commodities.
1890.....	115.0	112.3	112.9
1891.....	116.3	110.6	111.7
1892.....	107.9	105.6	106.1
1893.....	104.4	105.9	105.6
1894.....	93.2	96.8	96.1
1895.....	91.7	94.0	93.6
1896.....	84.0	91.9	90.4
1897.....	87.6	90.1	89.7
1898.....	94.0	93.3	93.4
1899.....	105.9	100.7	101.7
1900.....	111.9	110.2	110.5
1901.....	111.4	107.8	108.5
1902.....	122.4	110.6	112.9
1903.....	122.7	111.5	113.6
1904.....	119.7	111.3	113.0
1905.....	121.2	114.6	115.9
1906.....	126.5	121.6	122.5
1907.....	133.4	128.6	129.5
1908.....	125.5	122.2	122.8
1909.....	136.8	123.9	126.5
1910.....	139.7	129.6	131.6
1911.....	139.9	126.6	129.3

This table indicates that manufactured goods have advanced less than raw materials, although the raw materials of one column enter into the cost of the manufactures in the other column. For example, hides are included in raw commodities and shoes in the manufactured goods.

CANADIAN PRICES ALSO ADVANCE.

The Canadian Department of Labor has been publishing a similar table of prices and percentages for 261 commodities in Canada, using average prices for the period 1890-1899 as the

base. This table shows the average percentage for all of these commodities in 1899 to have been 127.3 per cent. While the list of commodities is not identical with that used by the Bureau of Labor of the United States the final figures are so near each other that they testify to each other's accuracy and show that there is little difference between the general levels of prices in Canada and the United States.

The Massachusetts Commission sent two representatives to Canada to investigate conditions there with particular relation to food supplies. The one reporting upon farm products said: "The low prices of two or three years ago and the high price of corn caused the farmer to raise fewer hogs and cattle and to sell his corn. I heard one remark frequently that the boys of this generation flock to the cities, securing employment on electric cars, in factories and stores, thus leaving the farmer alone to hire high-priced help of an undesirable character, or else to raise just enough for home use, thereby allowing 90 per cent of producing capability to be idle."

The other, reporting upon groceries, said: "Taking into consideration all the foregoing data, it is the opinion of the writer, based on his observations and comparisons as far as he has gone in the research, that the consumer gets, on an average, fully as much value, more variety, and in some cases a better article for his money in the United States than in Canada."

THE ADVANCE IN PRICES IS WORLD WIDE.

That the advance in prices is general the world over, and therefore not chargeable to tariffs, trusts, or other conditions local to the United States is evidenced by the following extracts from consular reports and other reliable sources abroad which it will be noted represent all parts of the world and include countries with low tariffs as well as others with protective tariffs.

GREAT BRITAIN.

[From Consul A. W. Swalm, Southampton.]

During the past five years there has been an advance of 20 per cent in the purchase price of the following necessities in the markets of the Southampton consular district: Fresh beef, mutton, bacon, hams, butter, eggs, fruits, tea, dried fruits, sugar, coffee, fuel, tinned goods, women's apparel, footwear, clothing, cotton goods, bedding, furniture, and underwear. All these articles enter this port duty free, except tea, coffee, sugar, dried fruit, and those things which have an added sugar content. There has been an advance in the price of nearly every class of raw material. The price of flour has fluctuated, but is classified as among the dearer commodities.

[From Consul Halstead, Birmingham.]

For some months there has been a steady increase in the cost of some of the principal articles connected with the grocery and provision trades, which has made the price to the consumer higher.

Coffee has been expensive throughout the year and common tea very high, while rice has risen because of short crops. Sugar has been steadily advancing since it became apparent that the summer drought would seriously affect the beet crops of Germany and other Continental producers of beet sugar.

HIGHER BRITISH PRICES FOR FOOTWEAR.

The following announcement was made on June 20 by the Federation of Boot and Shoe Manufacturers of Great Britain:

In view of the coming season's trade the Federation of Boot and Shoe Manufacturers of Great Britain have further considered the continuous advances in the prices of all materials used in the manufacture of boots and shoes and feel it incumbent upon them to warn the public against the expectation of being able to purchase the same quality of boots and shoes at the same prices as hitherto. To continue to produce boots and shoes to sell at present fixed prices means the use of inferior leather, which is invariably injurious to the health of the wearers, and is not economical in the end on account of its bad wearing properties. If the public want genuine boots and shoes during the coming season, they must expect to pay considerably more money for the former standard quality.

[From Consul General John L. Griffiths, London.]

The London Daily Mail of August 25 calls attention to the increase during the last 15 years in the prices of almost all the articles of food which enter into the daily consumption of the great masses of people in London.

The following table, compiled from the Fourteenth Abstract of Labor Statistics of the United Kingdom, issued by the Board of Trade, shows that only in potatoes was there a decrease in price of the articles enumerated.

Tables from the British Government statistics referred to show the percentage variations of retail prices of food in London in the 15 years, the intervening year of 1900 being taken as the unit basis:

Articles.	1896.	1900.	1910.	Articles.	1896.	1900.	1910.
Bread -----	93	100	114.8	Cocoa -----	93.3	100	100
Flour -----	88.2	100	120.6	Sugar -----	100	100	124.3
Beef -----	92.2	100	113.5	J a m , treacle,			
Mutton -----	89.7	100	104.4	marmalade ---	100	100	109.4
Pork -----	94	100	105.2	Currants -----	83.3	100	126.4
Bacon -----	78.1	100	138.9	Raisins -----	77.8	100	105.6
Butter -----	95.1	100	106.4	Rice -----	92.9	100	93.5
Eggs -----	91.2	100	112	Tapioca -----	80	100	105.8
Cheese -----	80.6	100	100	Oatmeal -----	100	100	113.9
Tea -----	90	100	100	Potatoes -----	88.5	100	80.1

The Co-Operative Wholesale Societies (Ltd.) have prepared the following table showing the increased cost of certain articles in the United Kingdom since 1898:

Articles.	1898.	1906.	1910.
	Cents per pound.	Cents per pound.	Cents per pound.
Bacon and hams-----	9.92	13.28	16.83
Butter -----	22.70	25.64	25.74
Cheese -----	10.48	13.10	13.12
Flour -----	2.78	2.18	2.46
Lard -----	6.48	9.78	13.66
Meal -----	2.46	2.36	2.32
Sugar -----	2.98	a 3.66	a 4.06
Tea -----	32.34	30.84	30.96

a The sugar duty imposed in 1901 was reduced from \$1.01 to \$0.44 in 1908.

[From Consul Walter C. Hamm, Hull, England.]

Some facts and figures recently published here and elsewhere relating to the rise in wages and the cost of living make it evident that conditions in England in these respects are similar to conditions in America. The figures are taken from Board of Trade returns and the publications of co-operative wholesale societies, or were obtained by personal inquiry. They show that where there has been a moderate advance in the rate of wages there has been a much greater advance in the cost of living.

[From Consul H. D. Van Sant, Dunfermline.]

According to several of the leading papers of Great Britain, the cost of living in luxuries and necessities, food, clothing, and transport has increased enormously in price during the past nine years. At the present time the increase over 1902 is in many instances more than 25 per cent, and the average increase in 22 leading commodities (as worked out by the Economist) is 23 per cent. Since the coronation of King Edward VII the price of foodstuffs has gone up a fraction over two shillings (48.6 cents) on the pound sterling (\$4.866).

GERMANY.

[From Consul-General Frank Dillingham, Coburg.]

During the five years last past the cost of living in this part of Germany in particular, and throughout the Empire generally, has materially increased. In this duchy and city it has doubled.

This increase in numerous instances has caused privations, es-

pecially among the laboring classes, because the average wage remains the same as it was when the necessities of life cost 50 per cent less.

[From Consul-General A. M. Thackara, Berlin.]

Living conditions in Germany, as in most parts of the civilized world, are seriously affected by the continued rise in the prices of food products, many of the commodities having advanced far above all previous records.

[From Consul-General W. L. Lowrie, Carlsbad, Bohemia.]

The cost of living has increased rapidly in the last ten years in western Bohemia.

Since the demonstrations on the part of laboring men against the high cost of living, meat from Argentina has been admitted to Austria-Hungary and 5,000 kilos (11,000 pounds) were placed on sale in the open market in January. This was sold around 16 cents a pound, and the entire shipment was sold in a few hours. The prices of foodstuffs being so high here and the wages low, workmen seldom eat meat, but live on soups, black bread, and potatoes. Owing to the number of visitors each year, the prices quoted are below rather than above the average. Rents have increased enormously in the last ten years.

[From Consul-General Robert P. Skinner, Hamburg.]

The prices of meat, after having declined somewhat in 1906 and 1907, again resumed their upward tendency in spite of the satisfactory development of German cattle breeding, which was always pointed to as likely to remedy existing conditions ultimately. Nevertheless, the chamber of commerce states:

The quantities of meat offered for sale do not show a decrease and the market prices of cattle are now lower than they used to be, but, notwithstanding, the cost of meat mounts up higher for the reason that the production does not keep pace with domestic consumption.

[From Consul Brittain, Prague, Bohemia.]

Since 1907 the following articles have advanced in price as indicated by percentage, and for the better qualities even greater advances have been made: Lard 17, butter 20, flour 50, potatoes 25, buttermilk 10, bread 40, meal 60, sugar 20, veal 12, pork 10. In October the coffee houses in Prague made a further advance in prices, averaging 10 per cent. Prices of fuel have also advanced, in fact, almost every article entering into household expenses has advanced in price.

[From Consul Talbot J. Albert, Brunswick, Germany.]

The increased cost of living due to the higher prices of foodstuffs is the cause of much complaint in Germany. The advances shown by the most important articles of food during the past year are shown by the following table of wholesale prices:

Articles.	February, 1911.	February, 1912.
Wheat ----- bushels a	\$1.26	\$1.38
Rye ----- do.	.97	1.28
Oats ----- do.	1.12	1.39
Corn ----- do.	.88	1.21
Barley (cattle feed) ----- do.	.92	1.20
Peas ----- pound.	.17	.21
Rye flour ----- do.	.0203	.0248
Wheat flour ----- do.	.0259	.0273
Wheat bran ----- do.	.0105	.0155
Rye bran ----- do.	.0103	.0155
Straw ----- 100 pounds	.486	.605
Hay ----- do.	.5076	.8856
Coffee ----- pound.	.1183	.1415
Sugar ----- do.	.0199	.0332
Table beans ----- do.	.0324	.0432
Lentils ----- do.	.0216	.0432
Potatoes ----- 100 pounds	.54	1.188
Beef ----- pound.	.1728	.1728
Beef (belly piece) ----- do.	.1296	.1404
Pork ----- do.	.1404	.1404
Veal ----- do.	.1296	.1512
Mutton ----- do.	.1404	.1404
Butter ----- do.	.2376	.2808
Eggs ----- dozen	.30	.36
Lard ----- pound.	.1129	.1021

a 60 pounds.

The only article in the above table showing a decrease is lard, the lower price of which was due to the scarcity of fodder, which forced the farmers to slaughter a large number of hogs and throw the product on the market. The scarcity of feed also forced the sale of a large number of cattle, which accounted for the small increases in meat prices.

AUSTRIA.

[From Consul William J. Pike, Reichenberg.]

In all parts of Austria meetings have been held recently to protest against the continuous advance in the prices of all kinds of foodstuffs. The public meetings are generally attended by citizens of all classes, for the hard times caused by the prevailing high cost of living are experienced not only by the working classes, but by all engaged in trade.

There was recently held in Reichenberg, the principal city of northern Bohemia, such a meeting of protest, which was attended by many thousand citizens. In its action and conduct the body did not take on a political character, but rather a general protest of citizens, who, freely admitting a general advance in the scale of wages in all branches of industry, as well as great industrial awakening, contended that prices had advanced so rapidly in all food products as to have the effect of creating most distressing conditions.

[From Consul-General Charles Denby, Vienna.]

In common with the rest of the world, Austria has been affected by the increased cost of living, and complaints are made on every hand. This increase has been explained in Austria as due to a variety of causes, viz, somewhat to increased production of gold, though the demand for gold has also largely increased; to organizations of labor, as it is stated that every successful strike has left a permanent effect on the price of some commodity; to tariffs, for it is charged that Austrian producers take the entire benefit of the tariff, keeping their prices as high as possible without encouraging importation; but, above all, this increase is said to be due to the advance, numerically, in population, the increase in education, and the rise in material culture.

Whatever its causes, it has been severely felt, not more by the poorer classes than by those of moderate means dependent on a fixed revenue from investments. In this country, as elsewhere, the increased cost of living has been unaccompanied by an increased return from securities. Rents have increased to the tenant, provisions are dearer to the consumer, clothing costs more, but the revenue from bonds, shares, and real estate has remained at the same level.

FRANCE.

[From Consul-General Frank H. Mason, Paris.]

The increased cost of the ordinary foodstuffs in Paris and throughout northern France has become the most generally absorbing topic of public interest. Partly by reason of the long, hot, dry summer, which affected disastrously grass, clover, potatoes, and garden vegetables—practically everything except grapes and hops—the prices of meats and produce of all kinds advanced during the month of September to figures unprecedented in the markets of Paris.

The papers are filled with cartoons and reports which describe the situation and show comparisons between the cost of certain staple articles now and at the corresponding date one year ago. Some of these comparative prices are given below:

Articles.		1910.	1911.
Mutton	1.1 pounds	\$0.17	\$0.26
Veal	do.	.32	.42
Beef	do.	.32	.40
Coffee	do.	.40	.46
Butter	do.	.36	.44
Sugar	2.2 pounds	.16	.22
Eggs	dozen	.24	.35
Milk	1.05 quarts	.05	.07-.10

[From Consul James E. Dunning, Havre.]

The cost of living in this city (Havre) has considerably increased in the past ten years, and is constantly the subject of French comment and continual complaint on the part of those whose salaries remain unchanged. Moreover, there is every indication that the augmentation of prices will continue. The consulate has received from a recent authority the following statement showing the percentage of increase in the cost of food, fuel, etc., during the period of five years: Bread, 15; beef, 22; veal, 14; mutton, 25; butter, 14; cheese, 25; fish, 50; preserved fish, 35; fresh vegetables, 15; dry vegetables, 30; macaroni, etc., 20; condiments, 25; pastry, 25; edible oils, 15; petroleum, 10; naphtha, 30; coal, 34; charcoal, 24; coffee, 25; chocolate, 25; candles, 10; crockery, 30. This authority concludes that the cost of ordinary articles of household consumption has, during five years, increased on an average of 25 per cent.

[From Consul-General Skinner, Marseilles.]

The cost of many articles of food increased considerably during the past decade, among the articles being the following, the price representing 2.2 pounds: Bacon, salted, 46 to 48 cents; beef, ordinary cuts, 42 to 48 cents; and ham, 46 to 52 cents. During the decade the price of chicken increased from 68 to 77 cents each; and eggs, per dozen, from 23 to 34 cents.

ITALY.

[From Consul Frank Deedmeyer, Leghorn.]

The cost of living has increased very rapidly at Leghorn during the last two years, especially as regards food products. Wages of factory employees and of common laborers, including domestic servants, are to-day 75 per cent higher than in the spring of 1909.

The following list gives the prices of the ordinary items which enter into the cost of living:

Articles.	1909.	1911.
Wine -----per quart..	\$0.055-0.092	\$0.118-0.137
Bread -----per pound..	.026- .035	.035- .053
Meats -----do-----	.088- .210	.184- .315
Coffee -----do-----	.263- .332	.438- .480
Butter -----do-----	.219- .263	.307- .350
Olive oil -----per quart..	.912-1.824	1.461-1.828
Fish -----per pound..	.078- .175	.157- .263
Salt -----do-----	.053	.053
Sugar -----do-----	.131	.144
Potatoes -----do-----	.014	.018

Men's clothing sold in 1909 for \$11.58 to \$16.40 per suit, and in 1911 for \$13.50 to \$17.37. In 1909 a five-room apartment rented for \$4.82 to \$6.75 per month, and in 1911 for \$6.75 to \$9.65. Apartments of 10 to 12 rooms rented for \$9.65 to \$15.44 per month in 1909, and \$13.50 to \$19.30 in 1911. Domestic servants received \$2.32 to \$2.86 per month in 1909, and \$4.83 to \$6.75 in 1911.

[From Consul Michelson, Turin, Italy.]

The cost of living increased over the already high level of 1909. Turin was especially affected (particularly as regards rent) by the increase in the cost of living. The rise in the price of commodities during the year was brought prominently before the Italian Parliament, but no legislation regarding it was enacted. The price of meat in the Department remained high, as in 1908 and 1909, but for a different reason. In those years the high price was due to the very poor hay and forage crops, but in 1910, a year of abundant hay and forage, farmers limited sales as much as possible in order not to lower profits. Up to a few years ago the Department, and Italy as a whole, exported cattle; now cattle are imported, the value of the receipts in 1910 being about double those in 1908 and 1909.

[From Consul Charles M. Caughy, Milan.]

In no place in Italy is the increased cost of living more keenly felt than in Milan, and the reasons for it appear for the most part fictitious. The cost of flour has increased from 38 lire (lira = 19.3 cents) per 220 pounds in 1908 to 45 lire in 1910, bread from 0.40 lira per 2.2 pounds to 0.48 lira; sugar from 1.42 lira per 2.2 pounds to 1.50 lira, rice from 0.40 lira per 2.2 pounds to 0.48 lira, milk from 0.23 lira per liter to 0.30 lira, eggs from 0.80 lira per dozen to 1.60 lira. The cost of butter has increased 15 per cent, coffee 10 per cent, vegetables in general 15 per cent, and fruit 30 per cent. The price of meat is steadily increasing, and is practically prohibitive to many people. The price of beef for roasting has risen from 2.20 lira per 2.2 pounds in 1904 to 2.80 lira in 1910, fillet from 3.20 to 3.50 lira, liver from 2.50 to 3.50 lira, and kidney from 1.80 to 2.50 lira. The following table shows the prices of a number of farm and dairy products in Lombardy in 1904 and 1908:

Articles.	1904.	1908.
	Lire.	Lire.
Wheat ----- 220 pounds--	23.70	27.06
Rye ----- do-----	17.80	19.40
Oats ----- do-----	17.00	19.20
Rice ----- do-----	20.30	22.55
Hay ----- do-----	10.30	13.00
Live beef ----- do-----	62.70	69.40
Live swine ----- do-----	107.50	132.65
Milk ----- 26.5 gallons--	11.60	15.60
Butter ----- 2.2 pounds--	2.41	2.65
Cheese ----- 220 pounds--	85.00	175.00

House rents have advanced about 30 per cent in three years. It is practically impossible to rent a house or an apartment for less than three years, the rent payable six months in advance, and the tenant very seldom has the privilege of rerenting.

[From Consul J. A. Smith, Genoa, Italy.]

The past few years have witnessed a general increase throughout Italy in the cost of living. This has been especially noticeable in the larger cities and has extended to practically every variety of food product, but more particularly to meats. In no city in the Kingdom has the situation been more keenly felt than in Genoa, and it is only in Rome that prices of meat have equaled those at Genoa. The present (June) local prices for various food products in Genoa, which have shown little if any advance during the past year, are as follows, per pound: Wheat flour, 5½ cents; bread, 5½ cents; butter, 30 to 35 cents; sugar, 15 cents; beef, 25 to 35 cents; veal, 23 to 35 cents; chickens, 25 to 30 cents; lamb, 20 to 23 cents; pork, 20 to 23 cents; coffee, 40 to 50 cents. Eggs are from 24 to 48 cents per dozen, and milk six to nine cents per quart.

SWITZERLAND.

[From Consul D. I. Murphy, St. Gall, April 28, 1911.]

The Swiss Statistical Society issues a quarterly bulletin giving prices of the articles of food found upon the tables of the working classes. The editor of this bulletin uses the reports from the police departments of the capitals of the 22 Swiss Cantons and eight equally important centers of population. An analysis of the bulletins from January, 1905, to January, 1911, indicates largely increased cost of living. Not only food, but rents, clothing, and almost every article used in the household have gone up within the same period. There has, however, been no proportionate increase in the wages of working people. But four kinds of meat are quoted in the report—beef, veal, pork and bacon. These have gone up in price 25 per cent since January, 1905.

DENMARK.

[From Minister Maurice F. Egan.]

From statistics prepared for the Danish Rigsdag in 1908, before the introduction of a bill suggesting the increase of salary for certain Danish officials, it appears that the cost of the necessities of life during the six previous years had increased 15 to 20 per cent, and that wages had increased in the same period 10 to 15 per cent.

The following statement shows the average price of leading foods, per Danish pound (1.1 American pounds), in Copenhagen in 1905 in 1905, 1907 and 1909:

Articles.	1905.	1907.	1909.
	Cents.	Cents.	Cents.
Bacon ----- pound--	15	16½	24
Beef ----- do--	15	16½	16
Butter ----- do--	28	29	29
Eggs ----- score--	31	47	48
Fish ----- pound--	9 to 15	10 to 17	9 to 17
Flour ----- do--	3	3	3½
Margarin ----- do--	16	18	19
Pork ----- do--	18	19	17½
Sugar ----- do--	5½	5	5½
Veal ----- do--	16	17	17

The foregoing are average prices for average qualities. The prices of beef, pork, and veal of the best quality range up to 33, 24, and 24 cents per Danish pound, respectively.

The price of other articles of food, such as vegetables and fruit, for which no statistics are available, have increased say 20 per cent in the last six years, and the better qualities of clothing, boots, shoes, etc., have also advanced considerably in price.

BELGIUM.

[From Consul H. Abert Johnson, Liege.]

Up to the present time Belgium enjoyed special advantages, which enabled her to compete successfully with the leading industrial nations of the world, owing to the fact that employers in all lines of industry were able to obtain an adequate supply of workmen at salaries decidedly lower than those current in other industrial countries. According to the latest reports, however, this advantageous state of affairs is not destined to continue for an indefinite period in this country, as the marked increase in the cost of living that has been more or less general throughout the world has been especially exemplified in the case of Belgium.

GREECE.

[From Consul General Horton, Athens.]

Formerly Athens was a very cheap place in which to live, but in recent years the price of articles of food and necessities have advanced until they are as high, if not higher, than in America. The cost per pound in United States currency of some of the principal articles are: Butter, \$1.03; beans, five cents; boiled ham, \$1.04; raw ham, 45 cents; beef, sirloin, 17 cents, and fillet, 38 cents; lamb, 32 cents; pork chops, 18 cents; leaf lard, 19 cents; and sugar, 10 cents. Eggs sell for 33 cents per dozen; salmon, 54 cents per pound can; fresh milk (cow's), 54 cents per gallon; oatmeal, 50 cents per pound package; petroleum, 75 cents a gallon; and coke, \$10 per ton.

HOLLAND.

[From Consul Frank W. Mahin, Amsterdam.]

The material increase in the price of foodstuffs during the past six months in the Amsterdam district is generally attributed to the remarkably hot and dry summer, but certain observers of economic conditions and tendencies argue that it is in the main only a continuation of a movement which has ex-

isted for the past 15 years. It is pointed out that the lowest price of foodstuffs in this country in recent years was reached in 1896, and that since then prices have steadily mounted. The following comparative table, using the year 1898 as a basis, appeared in a recent official agricultural report:

Commodities.	1898.	1904.	1910.
Beef -----	100	115	119
Pork -----	100	104	141
Eggs -----	100	108	155
Butter -----	100	113	123
Ham -----	100	127	133
Wheat -----	100	106	116
Potatoes (for flour) -----	100	118	129
Sugar (beet) -----	100	108	125

It appears therefrom that prices of important foodstuffs increased 16 to 55 per cent in 12 years.

SPAIN.

[From Consul Robert Frazer, Jr., Valencia.]

As an outcome of much popular dissatisfaction with the high cost of foodstuffs in Spain, the ministry has taken the matter up, and a royal decree, under date of September 9, has been issued in response to the ministry's representations. In comparison with American standards, a few factors entering into the cost of living are cheap, but the remainder, where wages, as in this district, range from 36 cents to a maximum in the skilled trades of 72 to 90 cents per day, are much higher in proportion to the purchasing power of the people than in the United States. Rent, wine (which is here as much a staple as is bread), vegetables, fruits, and, for those who can afford to have servants, wages are not expensive; but the following statement of foodstuffs retailed in Valencia at the prices given per kilo of 2.2 pounds will show that complaints about high living are well founded: Beef for soup, bonless, 36 cents; with bone, 22 cents; sirloin steak, 54 cents; tenderloin, 70 cents; veal, 72 cents; pork, fresh and salted, 36 to 45 cents; mutton, 36 to 40 cents; pork sausage, 43 cents; blood and fat sausage, 25 cents; whole ham, 63 cents; choice cuts of boneless ham, \$1.06; butter, \$1.06; lard, 45 cents; sugar, 21 cents; coffee, 72 to 90 cents; tea, 56 cents to \$1.20. Flour costs 90 cents per 25 pounds.

[From Consul Norton, Malaga, Spain.]

This district was free from the labor troubles which disturbed business conditions in many parts of the Kingdom during 1910. Nevertheless, the problem of greatly increased cost of living is as acute here as in the United States. As far as wages are concerned the mechanic and the laborer of the district are little better off than 10 years ago, and the purchasing power of the masses continues to be small. All necessities of life have gone up steadily in price and there does not seem to be any immediate relief. The high price of meat has occupied the attention of the press and people during the past year.

RUSSIA.

[From Consul-General J. H. Snodgrass, Moscow.]

The increased cost of living throughout Russia is perhaps felt more keenly in Moscow than in any other city of the Empire. Conditions have become so serious that many plans have been mooted for the relief of the people.

JAPAN.

[From Consul George N. West, Kobe.]

According to an article in Osaka Asahi, prices have gone up in Japan over twofold in the last 20 years, while the purchasing value of the currency has sensibly declined. Taking the

average rate of prices in January, 1887, at 100, and the value of the currency at the same time at 100, the rate of prices in 1910 would be 228 and the value of currency 43, according to a table published by the Bank of Japan.

Another table published by the same bank shows that the advance in the prices of imported goods has been comparatively small, while the rise in the price of goods produced for the home market and for export has been greater. Compared with the advance in prices in other countries, the Japanese rate of advance has been about two per cent greater than that in London and New York.

CHINA.

[From Consul J. C. McNally, Nanking, China.]

It is a matter of grave concern to the missionaries and other permanent residents of this part of China to observe from year to year the increasing cost of living, which, of course, includes every item of household expense. From conversations with reliable business men and missionaries who have spent a great many years in this part of China, it is learned that the cost of merchandise, as well as operating expenses of business or household, has very materially increased in the past 10 years. The increased cost of living for the Chinese compels the foreigner to meet the advance in wages, for they must pay twice as much rent for their houses and 150 per cent more for rice than they did 10 years ago. There is a general increase in rent, servants' wages, food, clothing, and transportation of from 25 to 100 per cent over that of 10 years ago. The following table, furnished by a Shanghai business man of standing, shows the increased cost of the various articles of daily use:

Articles.	Per cent advance.
Stoves and scales.....	20 to 25
Cooking utensils.....	25
Fresh and canned milk.....	25
Coffee and tea.....	20
Fresh meat.....	33 to 40
Eggs.....	100
Chickens.....	150
Sugar, made in Hongkong.....	10
Sugar, American cube.....	25
Butter.....	33
Canned vegetables.....	33
Ham and bacon, American.....	50
Flour, American.....	75

ASIA MINOR.

[From Consul W. W. Masterson, Harput, Asia Minor.]

One of the inexplicable things in connection with this country is the remarkable increase in the price of everything, as there is not one article that goes into any of the relations of life that has not almost doubled in price during the past five years. While even now these prices may appear low to those living in countries where the cost prices are greater, to these people, with the small circulation per capita, and their small business and small wages, these increases are as hard and high as they would be to those living in other countries where the increase is greater but where the per capita of money in circulation is also greater. If this country were on the seacoast, where the people depended to a great extent on the import and export trade, it would be in keeping there with the balance of the world to notice this increase, but in the middle of Asia Minor, so far inland that the greater proportion of the things consumed are produced locally, the increase seems inexplicable. If the country were filling up by immigration this increase would be explainable, but there is a steady stream of Armenian emigration to the United States, with some few Kurds and Turks in addition, and the population is gradually diminishing; still the prices continue to rise.

List of some of the more important articles used, with prices, in 1905 and 1910:

Articles.	1905.	1910.
Wheat -----per 169 pounds--	\$1.60	\$4.32
Barley -----per 152 pounds--	1.00	2.60
Sheep -----per head--	2.40	3.60
Sugar -----per 2.8 pounds--	.16	.20
Rice, home grown-----do--	.10	.14
Soap -----do--	.22	.48
Petroleum -----per case--	1.92	3.60
Cotton, raw -----per 2.8 pounds--	.16	.28
Cocoons -----do--	.32	.64
Silk -----do--	7.20	8.64
Wool -----do--	.16	.48

The rent for fields, for houses, and for the little shops in the markets have kept full pace with the increase in the prices of the necessities of life and the increase in wages.

SYRIA.

[From Consul Hollis, Beirut, Syria.]

Outside of staple articles, such as coffee, sugar, petroleum, and a few others of less importance, the cost of living has increased 20 to 50 per cent within the past year. The prices of meats have risen over 30 per cent, and butter in proportion; flour, 20; potatoes, 25; vegetables, 50; fruits, 50; clothing, 20; fuel, 30, and rents from 25 to 40 per cent. Household servants and similar employees demand from 50 to 75 per cent more than formerly, and common labor has increased from 23 to 35 per cent.

CHILE.

[From Consul Alfred A. Winslow, Valparaiso, Chile.]

The cost of living has increased greatly in Chile during the past four years, which has made it very hard for the working people of the country. Rents in the cities of Valparaiso and Santiago have increased so much that the working people must live in poor shacks in order to make ends meet. This has led to the discussion in Congress of the question of the Government building workmen's homes in these cities that can be furnished at a normal rental.

There are several reasons advanced for this increase in living expenses, such as the earthquake of August 15, 1906, which raised rents; the general increase of prices of provisions throughout the world; and the fluctuation of the paper currency of the country. For quite a time since 1906 the value of a peso has been as low as 15 cents United States currency, during which time prices in Chilean paper were marked up to meet the gold value, but these prices have not been reduced, which means an increase of about 50 per cent at the present value of a peso. It seems to be the general opinion that the high prices of Chilean farm products, as well as higher rents, have come to stay. Wages have advanced fully 50 per cent since 1906. The cost of living in the interior towns is much cheaper, but even there the increase is 40 per cent to 50 per cent for the four years.

The increased cost of living in Valparaiso is plainly set forth in the following statement, published in a leading local newspaper, giving the monthly household expenses of a family in moderate circumstances, composed of three adults and two children, in 1906 and 1910. The prices have been converted into American currency on the basis of one peso equaling 27 cents in 1906 and 23 cents in 1910.

Item.	1906.	1910.
Rent -----	\$20.25	\$46.00
Meat and vegetables -----	51.30	83.95
Bread -----	4.05	10.35
Light and fuel -----	3.24	7.36
Washing -----	6.75	13.80
Servants -----	8.10	14.95
Total-----	93.69	176.41

The following statement shows the wholesale prices of food-stuffs in Valparaiso in 1906 and 1910, in American currency:

Articles.	1906.	1910.
Beef -----2.2 pounds--	\$0.18	\$0.24
Beans -----100 pounds--	2.43	3.68
Butter -----do--	35.00	46.00
Flour -----do--	2.43	2.99
Cheese -----100 pounds--	14.85	25.30
Japanese rice -----do--	6.02	5.84
Brazilian coffee -----do--	12.40	13.87
Olive oil -----case of 40 bottles--	24.06	23.72

It will be noted by the foregoing table that the principal increases in the cost of foodstuffs are in the products of the country.

MEXICO.

[From Consul-General Canada, Vera Cruz, Mexico.]

The cost of living in the city has doubled during the past 10 years, and only the well-to-do can afford to buy foreign food products. Laborers' wages have advanced from 38 cents in 1893 to 62 cents in 1911 for 10 hours' work. The increases in clerks' salaries have not kept pace with the advance in laborers' pay, and they range from about \$25 to \$75 per month. Mechanics earn \$1 to \$2 per day.

ARGENTINA.

[From Consul-General R. M. Bartlemen, Buenos Aires.]

The high cost of the first necessities of life was no doubt a prime factor in the year's labor difficulties. The price of second-quality bread advanced 70 per cent in 10 years.

AUSTRALIA.

[From Vice Consul-General H. D. Baker, Sydney.]

During the past 10 years the increase in cost of living in New South Wales amounts to an average of 20 per cent. The tariff has had nothing to do with the increase in price of meat. But of all advances there is none more striking than the advance in coal. It costs more to furnish a house now than it did in 1900.

[From Consul Magelssen, Melbourne, Australia.]

In the last few years much has been heard of the increased cost of many household commodities, and the question is one which touches the interests of all.

ADVANCE IN PRICES IN FOREIGN COUNTRIES AS EVIDENCED BY IMPORT PRICES.

One of the most accurate methods of determining the advance or decline in prices abroad is through the valuation of foreign merchandise imported, as reported by the Collectors of Customs to the Bureau of Statistics, Department of Commerce and Labor. The law under which the collectors report the value of the merchandise imported requires that the stated value of the article imported shall be "the price at which such merchandise is freely offered for sale be the actual market value or wholesale price thereof, at the time of exportation to the United States, in the principal markets of the country whence exported; that such actual market value shall be held to be the price at which such merchandise is freely offered for sale to all purchasers in said markets, in the usual wholesale quantities." The stated value on all merchandise imported may therefore be accepted as probably the most accurate measurement of the average wholesale prices of these articles in the world markets, for, since these markets are in constant competition with each other, the prices stated by the importers as the wholesale prices in the country from which imported may be accepted as a fair average valuation of the merchandise in question in the various markets of the world. In nearly all

cases the imports of any given article when totaled by the Collectors of Customs and the Bureau of Statistics represent numerous markets. The aggregation of these quantities and values and the average prices thus produced gives a broad general view of world prices outside the United States. This opportunity of measuring the relative advance in prices through a comparison of average wholesale prices in markets outside the United States with those of earlier years is therefore especially valuable in determining whether the advance in prices is or is not local to the United States. The following table shows the import value, and thus the average value in the world markets in which produced, of certain leading articles imported in 1897 and at intervals since that time. Other tables of a similar nature may be found by consulting the index.

While it should not be understood from this statement that all articles imported from foreign countries show higher prices in 1911 than in any or all earlier years, yet a study of the figures above referred to will show clearly that the advance in prices which has been so sharply observed in the United States is also distinctly marked in foreign countries.

Average import prices in the month of March, 1897 to 1912.

[Represents prices in foreign countries.]

Articles	March—					
	1897	1900	1906	1910	1911	1912
Chemicals, drugs, etc.:						
Bark, cinchona, etc.-----lb.	\$0.043	\$0.193	\$0.085	\$0.081	\$0.076	\$0.072
Gums, Camphor, crude-----lb.	.239	.294	.360	.306	.293	.295
Potash, nitrate of-----lb.	.020	.027	.033	.029	.032	.036
Cotton, raw-----	.112	.136	.151	.186	.208	.178
Manufactures of: Cloth, not bleached-----sq. yd.	.089	.094	.123	.083	.107	.105
Fibres, vegetable, etc.:						
Flax-----ton.	219.34	296.18	278.79	300.56	335.15	357.56
Hemp-----ton.	126.00	133.65	176.80	167.21	178.40	235.27
Istle or tampico fiber-----ton.	49.95	73.30	89.71	68.06	77.53	91.81
Jute-----ton.	29.82	33.59	64.25	44.39	74.30	57.54
Manilla-----ton.	79.67	135.84	183.83	114.31	125.60	122.97
Sisal grass-----ton.	59.85	166.23	148.70	107.40	100.81	110.71
Hides and skins, other than fur skins:						
Goatskins-----lb.	.220	.272	.300	.284	.239	.234
All other, except hides of cattle-----lb.	.108	.174	.182	.182	.202	.181
Hides of cattle-----lb.	.117	.130	.146	.153	.133	.152
India rubber-----lb.	.504	.660	.766	1.15	1.06	.836
Iron and steel and manufac- tures of:						
Pig iron-----ton.	22.90	36.21	28.81	23.40	32.32	36.33
Tin plates, terne plates, etc-----lb.	.023	.035	.030	.029	.034	.061
Silk, raw-----lb.	2.87	4.63	3.25	3.13	3.49	3.19
Sugar (Cane), Not above No. 16-----lb.	.020	.027	.0202	.026	.022	.032
Above No. 16-----lb.	.024	.027	.032	.041	.034	.045
Tin in bars, blocks, pigs, etc-----lb.	.128	.254	.342	.314	.399	.414
Wood: Boards, planks, etc. -----M ft.	10.27	12.04	17.23	18.77	19.70	17.81
Wool: Class 1—clothing-----lb.	.171	.230	.243	.255	.237	.211
Class 2—combing-----lb.	.200	.212	.2-8	.263	.254	.244
Class 3—carpet-----lb.	.111	.097	.133	.137	.126	.121
Manufactures of: Cloths-----lb.	.567	1.22	1.09	1.07	1.17	1.150
Zinc or spelter, in blocks, pigs or old-----lb.	.033	.053	.036	.046	.051	.040

SOME FIGURES WHICH SHOW IN PART WHY THE COST OF LIVING IS RISING.

[Based upon data published in the Statistical Abstract of the United States, 1911.]

The amounts of the attached table are taken from the Statistical Abstract of the United States for 1911, and it is to be noted that they compare the year 1911 with the year 1891, twenty-one years prior to the present time. Comparisons of different years will of course produce different results, but the accompanying deduction explains conditions as to the present time, and a

further investigation would show that it reflects a trend showing reasons for the increasing cost of living.

A method of percentage of increase rather than the figures showing actual increases is the best way of arriving at some conclusions regarding why things are as they are. If we can show that the percentage increase in the necessities of life has not kept pace with the percentage increase of population, the familiar law of supply and demand will give the conclusion that not so much is being produced per capita as in former years, and hence prices must necessarily be higher.

One point should be borne in mind especially, and that is the percentage increase of population of 46.9 per cent. With this percentage increase of 49.6 per cent all the other percentage increases should be compared, and if they are found to be lower than the population increase, it must necessarily show that by reason of a lessened supply prices are higher. That this is so will be shown by the following table:

	Percentage Increase 1911 over 1891
Population	46.9
Cattle	14.4
Sheep	23.5
Swine	29.6
Wool	11.8
Wheat	1.6
Corn	22.9

The above table shows that the population increase has been in all cases higher than the increase in the production of the necessities of life.

SOME FIGURES WHICH SHOW IN PART WHY THE COST OF LIVING IS RISING. TAKEN FROM THE STATISTICAL ABSTRACT OF THE UNITED STATES FOR 1911.

Number on January 1, of years named, of—

	Population.	Cattle.	Sheep.	Swine.
1891.....	63,844,000	52,895,239	43,421,136	50,625,106
1911.....	93,792,509	60,502,000	53,633,000	65,620,000
Increase.....	29,948,509	7,606,761	10,211,864	14,994,894
Per cent.....	46.9	14.4	23.5	29.6

Production of Staples Named in 1891 and 1911.

	Wool (lbs.)	Wheat(bush.)	Corn (bush.)	Money in circulation.
1891.....	285,000,000	611,780,000	2,060,154,000	1,497,440,307
1911.....	318,547,900	621,338,000	2,531,488,000	3,214,002,596
Increase.....	33,547,900	9,558,000	471,334,000	1,716,562,289
Per cent.....	11.8	1.6	22.9	114.6

	World's gold production, oz.	Average number wage earners, Mfg. in U. S.	Persons engaged in agriculture in U. S.
1890.....	5,749,306	4,251,613	8,565,926
1910.....	21,996,297	*6,615,036	12,070,672 (estimated)
Increase.....	16,246,991	2,363,423	3,504,746
Per cent.....	282.6	55.6	40.9

*Exclusive of neighborhood industries and hand trades, included with figures for 1890.

J. Stuart Mill shows that *an increase in the circulation of money lowers its value and purchasing power, when the increase of money is greater than that of population.* Figures above show that the increase of money in circulation has been over twice as great as that of population.

It is interesting to note, especially with regard to wheat, the production of food commodities has not kept pace with the increase of population. This is very significant.

INCREASING PRODUCTION OF GOLD.

Economists have assigned the increasing production of gold as a factor in the increasing cost of living. Gold is a denominator of value and must be obtained in exchange for labor spent in obtaining it. If, therefore, improved methods of mining give rise to an increasing supply of gold at a lessened cost per unit of weight, it must necessarily follow that gold increasing much more rapidly than other commodities, it will take more and more gold to buy the same units of the necessities of life. Our figures show that while the population has increased 49.6 per cent, the world's production of gold has increased 282.6 per cent—an increase six times as great as that of population.

GOLD PRODUCTION OF THE WORLD, 1492-1912.

The following table shows in condensed form the gold production of the world from the discovery of America to the present time, 1492 to January 1, 1912. It will be seen that the annual average production at the present time is twice as much as the annual average during the decade ending with 1900, four times the annual average during the forty years ending with 1890, and fifty times as much as the annual average from 1492 to 1850, the date of the great gold discoveries in California and Australia.

Annual average gold production of the world, 1492 to 1912.

Period.	Annual Average, Dollars.
1493-1850	8,500,000
1850-1890	120,200,000
1890-1900	210,100,000
1900-1905	322,620,000
1905-1910	433,359,000
1911 (estimated)	463,249,000

MANUFACTURING POPULATION VS. AGRICULTURAL POPULATION.

The tendency of the times is for people to aggregate in large cities and to devote themselves to manufacturing, commercial and distributing occupations rather than to agricultural employments. The natural result of this will be to have proportionately fewer people raising the necessities of life for a proportionately greater number of people. That this is so will be seen by the statistics on another page, in which, between 1890 and 1910, the average number of wage earners in manufacturing pursuits in the United States increased 55.6 per cent, while those engaged in agriculture increased 40.9 per cent. It will be noted that the percentage increase of the manufacturing population was in excess of the percentage increase in population itself; while the percentage increase in agricultural population was less than the increase in total population.

RELATIVE ADVANCE IN PRICES IN PRINCIPAL COUNTRIES.

The rise in the prices of commodities, which has been almost steady since 1897, with slight depressions in 1901, 1904, 1908 and 1911, is being used by many as an argument against the Republican administration's policy concerning the tariff. It is claimed that the rise in prices is directly due to the tariff legislation. If

this were true, or if the tariff legislation during the past sixteen years had had any appreciable effect upon the general upward trend of prices, this upward trend would necessarily be confined to the United States and to such other countries as have pursued a similar tariff policy during that period. This, however, is not borne out by the established facts.

For many years statisticians in the employ of the various governments and private economic organizations have been constructing index-numbers based upon the aggregate prices of leading commodities. The following quotation from the Century Dictionary explains the method and use of these index numbers:

"In tracing the movement of the prices of a number of commodities taken collectively, or of the wages of employees, the method of index numbers is generally used. These index numbers, for commodities, are computed as follows: A certain number of commodities (for which the course of prices is to be ascertained) is chosen, and the aggregate price of specified quantities of these articles, at a certain fixed time, or the average of the aggregate prices for a fixed period, it taken as a base and is designed as 100. The aggregate prices of the same or similar commodities at other times are then calculated as percentages of the one aggregate which constitutes the base. This base varies in the different series of index numbers which have been presented by statisticians. In the United States Senate Finance Committee's report the prices and the wages for the year 1860 are each taken as the base, and the prices and wages in each of the other years are percentages of this, the aggregate prices and wages being higher or lower than in 1860 as the figures are above or below 100 respectively. In Sauerbeck's index numbers of prices in England, the average of the aggregate prices for the eleven years 1867-1877 is taken as the base, *i. e.*, 100. In the United States Bureau of Labor index numbers of prices and wages the average of the aggregates for the period 1890-1899 is taken as the base."

All the index numbers used in this Text Book have been reduced to the last mentioned base.

In the table and chart which follow, the index numbers of wholesale prices in the United States, Canada, United Kingdom, France and Germany are shown side by side. It will be observed that the general trend of prices in all these countries has been the same, and the similarity in the fluctuations is striking:

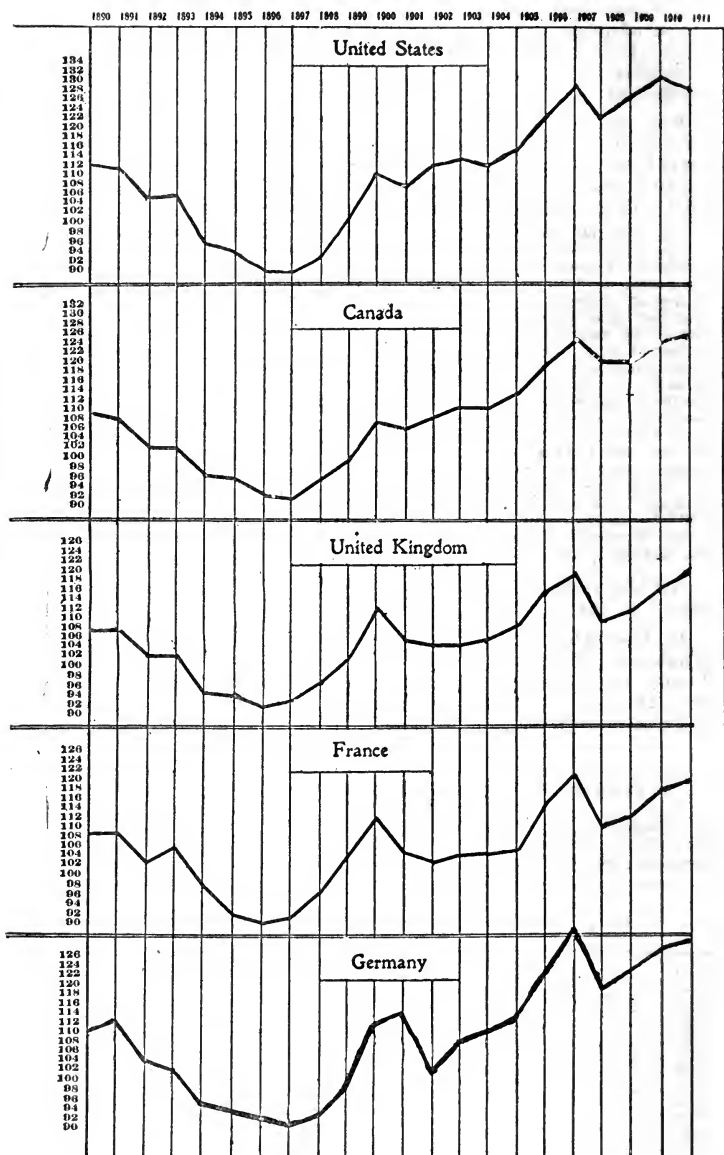
Relative Wholesale Prices in Five Leading Countries.

[Sources: United States, Bulletin of the United States Bureau of Labor No. 99; Canada, Wholesale Prices in Canada, 1910, p. 7; United Kingdom, France, Germany, Journal of the Royal Statistical Society, Vol. LXXV, Part I, p. 29.]

Year.	United States.	Canada.	United Kingdom.	France.	Germany.
1890.....	113	110	109	109	110
1891.....	112	109	109	109	111
1892.....	106	103	103	103	104
1893.....	106	103	103	107	102
1894.....	96	97	95	98	94
1895.....	94	96	94	93	92
1896.....	90	93	92	90	91
1897.....	90	92	94	91	94
1898.....	93	96	97	96	99
1899.....	102	100	103	105	104
1900.....	111	108	114	112	111
1901.....	109	107	106	105	107
1902.....	113	109	105	108	103
1903.....	114	111	105	105	109
1904.....	113	111	106	104	111
1905.....	116	114	109	105	114
1906.....	123	120	117	115	123
1907.....	130	126	121	122	133.
1908.....	123	121	111	111	120
1909.....	127	121	112	112	124
1910.....	132	125	118	118	128
1911.....	129	-----	121	-----	-----

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

Course of Wholesale Prices in Five Leading Countries



The Republican Party was born because of a principle, and it has lived and grown because of principles too sound to be overthrown, too deep to be effaced.—Hon. James S. Sherman.

The price of wheat is fixed by the law of supply and demand, which is eternal; gold has not made long crops or short crops, high prices or low prices.—Maj. McKinley to Homestead workingmen, September 12, 1896.

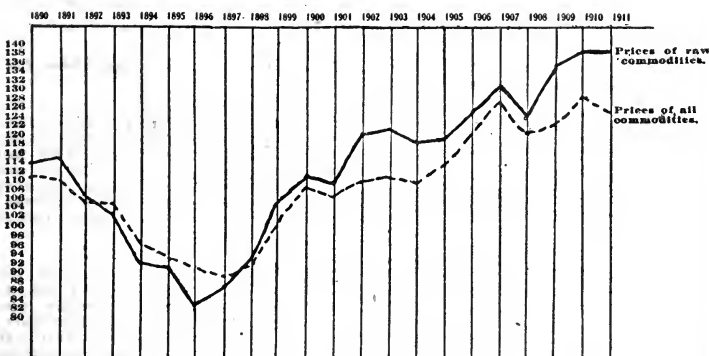
The hum of industry has drowned the voice of calamity, and the voice of despair is no longer heard in the United States, and the orators without occupation here are now looking to the Philippines for comfort. As we opposed them when they were standing against industrial progress at home, we oppose them now as they are standing against national duty in our island possession in the Pacific.—President McKinley.

A further proof that tariff legislation is not responsible for the present high prices is the fact that the rise in prices has been greater in raw products, nearly all of which are free of duty, than in the products of the manufacturing industries, nearly all of which are dutiable. This is shown in the following table and chart:

Relative prices of raw and manufactured commodities, by years, 1890 to 1911, and by months, January to December, 1911, and per cent of increase in prices for 1911 over each preceding year, and for December, 1911, over each preceding month or year.

[Source: Bulletin No. 99, U. S. Bureau of Labor.]

Year or month.	Raw commodities.			Manufactured commodities.			All commodities.		
	Relative price.	Per cent of increase—		Relative price.	Per cent of increase—		Relative price.	Per cent of increase—	
		In 1911 over each preceding year.	In December, 1911, over each preceding month or year.		In 1911 over each preceding year.	In December, 1911, over each preceding month or year.		In 1911 over each preceding year.	In December, 1911, over each preceding month or year.
1890-----	115.0	21.7	26.8	112.3	12.7	11.4	112.9	14.5	14.4
1891-----	116.3	20.3	25.4	110.6	14.5	13.1	111.7	15.8	15.7
1892-----	107.9	29.7	35.1	105.6	19.9	18.5	106.1	21.9	21.8
1893-----	104.4	34.0	39.7	105.9	19.5	18.1	105.6	22.4	22.3
1894-----	93.2	50.1	56.4	96.8	30.8	29.2	96.1	34.5	34.4
1895-----	91.7	52.6	59.0	94.0	34.7	33.1	93.6	38.1	38.0
1896-----	84.0	66.5	73.6	91.9	37.8	36.1	90.4	43.0	42.9
1897-----	87.6	59.7	66.4	90.1	40.5	38.8	89.7	44.1	44.0
1898-----	94.0	48.8	55.1	93.3	35.7	34.1	93.4	38.4	38.3
1899-----	105.9	32.1	37.7	100.7	25.7	24.2	101.7	27.1	27.0
1900-----	111.9	25.0	30.3	110.2	14.9	13.5	110.5	17.0	16.9
1901-----	111.4	25.6	30.9	107.8	17.4	16.0	108.5	19.2	19.1
1902-----	122.4	14.3	19.1	110.6	14.5	13.1	112.9	14.5	14.4
1903-----	122.7	14.0	18.8	111.5	13.5	12.2	113.6	13.8	13.7
1904-----	119.7	16.9	21.8	111.3	13.7	12.4	113.0	14.4	14.3
1905-----	121.2	15.4	20.3	114.6	10.5	9.2	115.9	11.6	11.5
1906-----	126.5	10.6	15.3	121.6	4.1	2.9	122.5	5.6	5.5
1907-----	133.4	4.9	9.3	128.6	1.6	2.7	129.5	.2	.2
1908-----	125.5	11.5	16.2	122.2	3.6	2.4	122.8	5.3	5.2
1909-----	136.8	2.3	6.6	123.9	2.2	1.0	126.5	2.2	2.1
1910-----	139.7	.1	4.4	129.6	2.3	3.5	131.6	1.7	1.8
1911-----	139.9	-----	4.2	126.6	-----	1.2	129.3	-----	.8



The above table and chart show the prices of all raw commodities and all manufactured products, lumped together in the two respective groups. It is, however, interesting in this connection to also study the course of prices of the commodities which make up these groups.

Cotton.

Raw cotton is on the free list, and the United States supplies the greater part of the world with this commodity. Cotton manufactures are protected by the tariff. The following chart shows the course of prices of raw cotton and a few representative articles of cotton manufacture. It will be observed that while the price of raw cotton was much higher in 1911 than in 1890, the prices of calico and cotton hosiery have fallen materially:

Actual and relative wholesale prices of raw cotton, calico and cotton hosiery.

[Compiled from Bulletin No. 99, U. S. Bureau of Labor.]

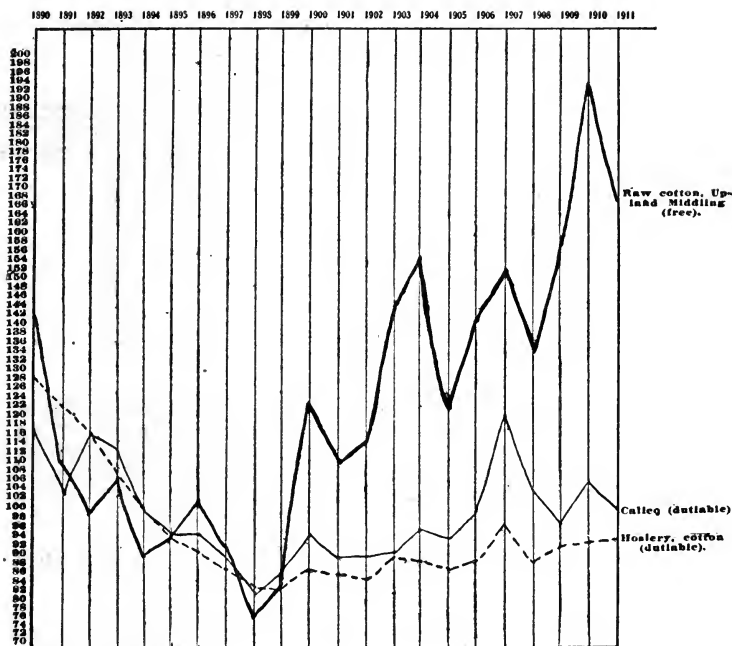
	Cotton: upland, middling.		Calico: American standard prints 64 by 64.		Hosiery: men's cot- ton half hose, seam- less, fast black, 20 to 22 ounce, 160 needleless single threaded, carded yarn.		Hosiery: women's cot- ton hose, combed peeler yarn.		Hosiery: women's cot- ton hose, seamless, fast black, 26-ounce, 176 needles, single thread carded yarn.		Hosiery: aver- age.
	Average price per pound.	Relative price.	Average price per yard.	Relative price.	Average price per 12 pairs.	Relative price.	Average price per 12 pairs.	Relative price.	Average price per 12 pairs.	Relative price.	
1890.....	.11089	142.9	.0650	117.5	1.2740	133.3	-----	-----	1.2250	131.6	129.7
1891.....	.08606	110.8	.0575	104.0	1.1760	123.1	-----	-----	1.1270	121.1	122.8
1892.....	.07686	99.0	.0650	117.5	1.0780	112.8	-----	-----	1.0780	115.8	117.4
1893.....	.08319	107.2	.0625	113.0	1.0535	110.3	1.900	102.7	1.0535	113.2	109.4
1894.....	.07002	90.2	.0550	99.5	.9800	102.6	1.900	102.7	.9800	105.3	100.8
1895.....	.07298	94.0	.0525	94.9	.9065	94.9	1.875	101.4	.8575	92.1	94.4
1896.....	.07918	102.0	.0525	94.9	.8330	87.2	1.875	101.4	.7840	84.2	90.5
1897.....	.07153	92.2	.0500	90.4	.7840	82.1	1.850	100.0	.7595	81.6	86.7
1898.....	.05972	76.9	.0450	81.4	.7350	76.9	1.800	97.3	.7105	76.3	83.4
1899.....	.06578	84.7	.0483	87.3	.7350	76.9	1.750	94.6	.7350	78.9	82.5
1900.....	.09609	123.8	.0525	94.9	.7840	82.1	1.900	102.7	.7595	81.6	87.3
1901.....	.08627	111.1	.0500	90.4	.6860	71.8	2.000	108.1	.6615	71.1	85.9
1902.....	.08932	115.1	.0500	90.4	.7350	76.9	1.850	100.0	.7350	78.9	85.2
1903.....	.11235	144.7	.0504	91.1	.7840	82.1	1.875	101.4	.8085	86.8	90.1
1904.....	.12100	155.9	.0529	95.7	.6370	82.1	1.800	97.3	.7595	81.6	89.2
1905.....	.09553	123.1	.0517	93.5	.6370	82.1	1.750	94.6	.7840	84.2	87.5
1906.....	.11025	142.0	.0550	99.5	.6615	85.3	1.900	102.7	.7595	81.6	89.7
1907.....	.11879	153.0	.0602	121.0	.7350	94.8	2.025	109.5	.8330	89.5	97.4
1908.....	.10463	134.8	.0519	104.3	.7500	88.9	1.775	95.9	.8000	84.2	89.5
1909.....	.12107	156.0	.0483	97.1	.8104	96.1	1.775	95.9	.8104	85.3	92.3
1910.....	.15118	194.8	.0531	106.8	.8042	95.4	1.831	99.0	.8125	85.5	93.1
1911.....	.13037	168.0	.0499	100.4	.8000	94.9	1.844	99.7	.8250	86.8	93.6

Principles are more enduring than men, more lasting than factions.—Hon. James S. Sherman.

Liberty and honor do not measure all that the party has stood for and stands for to-day. There is another great underlying policy which the Republican Party adopted at its birth and has developed since as has none of the great powers of Christendom. I refer to the policy of progress, which has made our country the greatest, our nation the strongest, and our people the wealthiest and happiest of all the peoples of the world.—Hon. James S. Sherman.

Instead of making a panic, the national policy of ending the lawlessness of corporations in interstate commerce, and of taking away their power of issuing, without supervision, stocks and bonds, will produce a change in their management and remove one fruitful cause for loss of public confidence.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

We must regard and have an interest in what our neighbors are doing, and when we can assist them, we cannot pass by on the other side as the Levite did, but we must take them up as the Good Samaritan did and bind up their wounds and prepare to send them on their way rejoicing.—Hon. Wm. H. Taft, at Cleveland, Ohio.



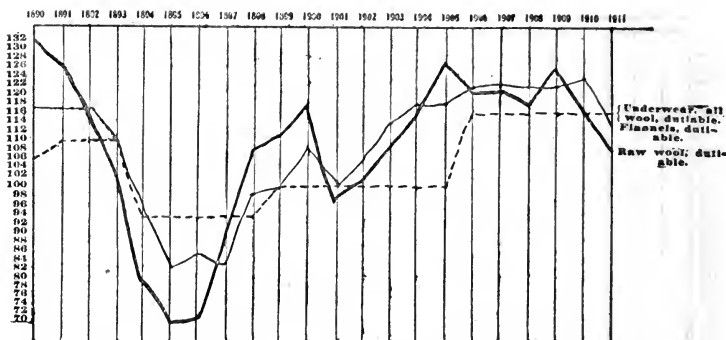
Wool.

Wool, both in the raw and manufactured state, is dutiable. The table and chart which follow show that the fluctuations in the prices of raw wool and of the two staple commodities of wool manufacture, flannels and underwear, have been very similar, that raw wool and flannel were cheaper in 1911 than in 1890, and wool underwear was but slightly higher:

Actual and relative wholesale prices of raw wool, flannels and all-wool underwear.

[Compiled from Bulletin 99, U. S. Bureau of Labor.]

	Wool: Ohio, medium fleece (% and % grade), scoured.		Wool: Ohio, fine fleece (X and XX grade), scoured.		Wool Average	Flannels: white, 4-4, Ballard Vale No. 3.		Underwear: shirts and drawers, white, all-wool.	
	Average price per pound.	Relative price.	Average price per pound.	Relative price.		Average price per yard.	Relative price.	Average price, 12 gar.	Relative price.
1890-----	\$0.6143	134.6	\$0.7156	129.5	132.1	\$0.4400	116.8	\$24.75	106.2
1891-----	.5820	127.5	.6857	124.1	125.8	.4400	116.8	25.05	110.0
1892-----	.5276	115.6	.6119	110.7	113.2	.4367	115.9	25.65	110.0
1893-----	.4620	101.2	.5639	102.0	101.6	.4125	109.5	25.65	110.0
1894-----	.3542	77.6	.4448	80.5	79.1	.3546	94.1	21.60	92.7
1895-----	.3280	71.9	.3768	68.2	70.1	.3080	81.7	21.60	92.7
1896-----	.3186	69.8	.3940	71.3	70.6	.3217	85.4	21.60	92.7
1897-----	.3999	87.6	.4955	89.7	88.7	.3113	82.6	21.60	92.7
1898-----	.4805	105.3	.6150	111.3	108.3	.3685	97.8	21.60	92.7
1899-----	.4966	108.8	.6232	112.8	110.8	.3750	99.5	23.40	100.4
1900-----	.5296	116.0	.6594	119.3	117.7	.4096	108.7	23.40	100.4
1901-----	.4315	94.5	.5453	98.7	96.6	.3800	100.8	23.40	100.4
1902-----	.4436	97.2	.5770	104.4	100.8	.3986	105.8	23.40	100.4
1903-----	.4658	102.1	.6546	118.5	110.3	.4306	114.3	23.40	100.4
1904-----	.4869	106.7	.6862	124.2	115.5	.4433	117.6	23.40	100.4
1905-----	.5348	117.2	.7591	137.4	127.3	.4461	118.4	23.40	100.4
1906-----	.5125	112.3	.7181	129.9	121.1	.4613	122.4	27.00	115.8
1907-----	.5158	113.0	.7181	129.9	121.5	.4638	123.1	27.00	115.8
1908-----	.4899	107.3	.7163	129.6	118.3	.4611	122.4	27.00	115.8
1909-----	.5429	119.0	.7376	133.5	126.5	.4594	121.9	27.00	115.8
1910-----	.4884	107.0	.6862	124.2	115.8	.4655	123.5	27.00	115.8
1911-----	.4490	98.4	.6472	117.1	107.8	.4300	114.1	27.00	115.8



Iron and Steel.

All iron and steel, as well as the products thereof, are dutiable. The table and chart which follow show that the prices of pig iron as well as leading commodities manufactured therefrom were much lower in 1911 than they were in 1890, and that steel rails and cutlery showed a greater decline comparing 1911 with 1890 than the pig iron from which they were made:

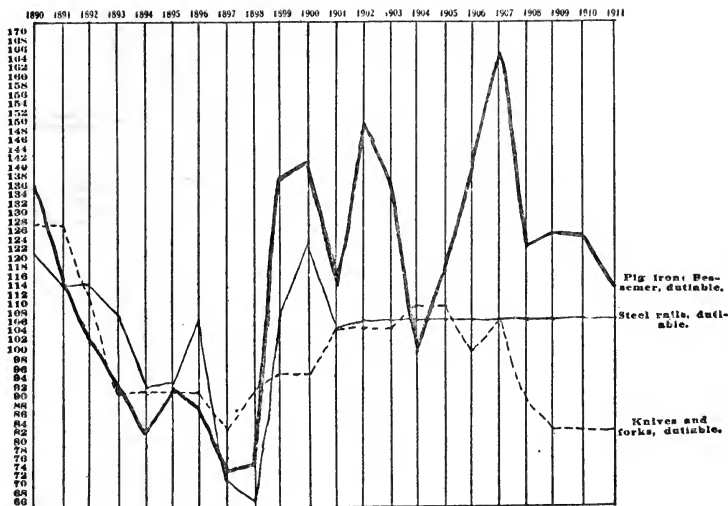
Actual and relative wholesale prices of Bessemer pig iron, steel rails and table cutlery.

[Compiled from Bulletin 99, U. S. Bureau of Labor.]

Year.	Pig iron: Bessemer.		Steel rails.		Table cutlery: knives and forks, cocobolo handles.	
	Average price per ton.	Relative price.	Average price per ton.	Relative price.	Average price per gross.	Relative price.
1890.....	\$18.8725	137.0	\$31.7792	121.9	\$7.7500	127.9
1891.....	15.9500	115.8	29.9167	114.8	7.7500	127.9
1892.....	14.3667	104.3	30.0000	115.1	6.8500	113.0
1893.....	12.8692	93.4	28.1250	107.9	5.5000	90.8
1894.....	11.3775	82.6	24.0000	92.1	5.5000	90.8
1895.....	12.7167	92.3	24.3333	93.4	5.5000	90.8
1896.....	12.1400	88.1	28.0000	107.4	5.5000	90.8
1897.....	10.1258	73.5	18.7500	71.9	5.0000	82.5
1898.....	10.3317	75.0	17.6250	67.0	5.5000	90.8
1899.....	19.0333	138.1	28.1250	107.9	5.7500	94.9
1900.....	19.4925	141.5	32.2875	123.9	5.7500	94.9
1901.....	15.9350	115.7	27.3333	104.9	6.5000	107.3
1902.....	20.6742	150.0	28.0000	107.4	6.5000	107.3
1903.....	18.9758	137.7	28.0000	107.4	6.5000	107.3
1904.....	13.7558	99.8	28.0000	107.4	6.6667	110.0
1905.....	16.3592	118.7	28.0000	107.4	6.6875	110.4
1906.....	19.5442	141.8	28.0000	107.4	6.0500	99.8
1907.....	22.8417	165.8	28.0000	107.4	6.4833	107.0
1908.....	17.0700	123.9	28.0000	107.4	5.4167	89.4
1909.....	17.4083	126.3	28.0000	107.4	5.0000	82.5
1910.....	17.1925	124.8	28.0000	107.4	5.0000	82.5
1911.....	15.7133	114.0	28.0000	107.4	5.0000	82.5

In the first place, it is said that the policy of the administration has been directed for the last four years against organized capital, and that it has thereby frightened investors. I deny it. The course of the administration has been directed against such organized capital as was violating the statutes of the United States—and no other. It had every consideration and desire to aid and assist organized capital which was engaged in legitimate business.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

The tide of prosperity may ebb and flow, but the great waves of industrial wealth will continue to grow in volume with ever-increasing comfort and happiness to our contented people, who will soon number 100,000,000. And because of our intelligent and skillful labor, made so because of good wages and good living, we shall make better fabrics and build stronger structures—that in spite of their higher cost in the beginning will be cheaper in the end and will be wanted by the people in every corner of the earth. So that we shall capture the markets of the world in greater volume without ever sacrificing our home market, the foundation of our National wealth and progress.—Hon. James S. Sherman.



Wood.

Lumber and manufactures thereof are dutiable. While the price of lumber has naturally risen owing to the increasing demands upon our forests, manufactures of lumber have not risen in the same proportion. The following table and chart show the course of the prices of yellow pine boards and of two staple articles of wood manufacture, namely, kitchen chairs and kitchen tables:

Actual and relative wholesale prices of yellow pine and of kitchen chairs and tables.

[Compiled from Bulletin No. 99, U. S. Bureau of Labor.]

Year.	Pine: yellow, siding.		Furniture: chairs, kitchen.		Furniture: tables, kitchen.	
	Average price per M feet.	Relative price.	Average price per dozen.	Relative price.	Average price per dozen.	Relative price.
1890	\$20.7500	112.4	\$4.2000	109.8	\$15.000	103.9
1891	19.9583	108.1	4.2000	109.8	15.000	103.9
1892	18.5000	100.2	4.2500	111.1	15.000	103.9
1893	18.5000	100.2	4.2500	111.1	15.000	103.9
1894	18.5000	100.2	3.5000	91.5	14.250	98.7
1895	16.9167	91.6	3.5000	91.5	14.250	98.7
1896	16.4167	88.9	3.5000	91.5	13.800	95.6
1897	16.4375	89.0	3.5000	91.5	13.800	95.6
1898	18.6250	100.9	3.3130	86.6	13.800	95.6
1899	20.0417	108.5	4.0420	105.7	14.450	100.0
1900	20.7083	112.2	5.2080	136.1	15.600	108.1
1901	19.6667	106.5	4.7500	124.2	15.600	108.1
1902	21.0000	113.7	4.9167	128.5	15.600	108.1
1903	21.0000	113.7	5.0000	130.7	15.600	108.1
1904	21.4167	116.0	4.7768	124.7	15.600	108.1
1905	24.9167	134.9	4.7500	124.2	15.600	108.1
1906	29.3333	158.9	5.1250	134.0	16.500	114.3
1907	30.5000	165.2	5.7917	151.4	18.000	124.7
1908	30.5000	165.2	6.0000	156.8	18.000	124.7
1909	33.0417	178.9	5.5833	145.9	18.000	124.7
1910	30.8000	166.8	5.5000	143.8	20.000	138.6
1911	30.5909	165.7	5.7500	150.3	21.000	145.5

The attitude of the government toward combinations of capital for the reduction in the cost of production should be exactly the same as toward the combinations of labor for the purpose of bettering the conditions of the wage-worker and of increasing his share of the joint profit of capital and labor. They are both to be encouraged in every way so long as they conduct themselves within the law.—Hon. Wm. H. Taft, at Columbus, Ohio.



It will be seen in the above illustrations that the greatest rise in prices during the past 21 years has been in raw commodities which were free of duty, that raw protected commodities come next, and that the smallest relative increase in price appears to have been in manufactured commodities, practically all of which are dutiable.

The Bureau of Labor in its price statistics groups all articles into nine general classes, namely: farm products, lumber and building materials, food products, cloths and clothing, metals and implements, fuel and lighting, drugs and chemicals, house furnishing goods and miscellaneous. The tables and charts which follow show the index numbers of prices of each of these groups:

The policy of Washington is the policy of the Republican Party.—Senator Cullom.

Luxuries to the European laborer are necessities to the American.—Senator Frye, in the "American Economist."

We have lower interest and higher wages, more money and fewer mortgages.—President McKinley.

I am a protectionist because I think by that policy the workmen of America will be well paid and not underpaid.—Hon. George F. Hoar.

The people have no patience with those who would violate the plighted faith of the Nation and stamp its obligations with dishonor.—Hon. Wm. McKinley to delegation of farmers, at Canton, September 22, 1896.

The railways can blame no one but themselves if the revelation of the flagrant violations of law and of their unjust administration of a public trust have led to an outburst of popular indignation and have brought on temporary excess.—Hon. Wm. H. Taft, at Columbus, Ohio.

A tariff for revenue only resulted in cheaper wool, cheaper bread, cheaper everything; there was no doubt about that; but did cheapness produce happiness, as they said it would? No; it produced misery, just as we said it would.—Hon. M. N. Johnson, in Congress, March 24, 1897.

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only requires the effects of a pause through which we are passing, or through which we passed in 1893 or 1873, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, before the Cooper Union, New York City.

Relative prices of commodities, by years, 1891 to 1910, and by months, January to December, 1911, and per cent of increase in prices for 1911 over each preceding year, and for December, 1911, over each preceding month or year, by groups of commodities.

Year or month.	Farm products.			Food, etc.			Cloths and clothing.		
	Relative price. ^a	Per cent of in- crease—		Relative price. ^a	Per cent of in- crease—		Relative price. ^a	Per cent of in- crease—	
		In 1911 over each preceding year.	In December, 1911, over each pre- ceding month or year.		In 1911 over each preceding year.	In December, 1911, over each pre- ceding month or year.		In 1911 over each preceding year.	In December, 1911, over each pre- ceding month or year.
1890.....	110.0	47.3	54.2	112.4	16.8	21.7	113.5	5.4	2.3
1891.....	121.5	33.3	39.6	115.7	13.5	18.2	111.3	7.5	4.3
1892.....	111.7	45.0	51.8	103.6	26.7	32.0	109.0	9.7	6.5
1893.....	107.9	50.1	57.2	110.2	19.1	24.1	107.2	11.6	8.3
1894.....	95.9	68.9	76.9	99.8	31.6	37.1	96.1	24.5	20.8
1895.....	93.3	73.6	81.8	94.6	38.8	44.6	92.7	29.0	25.2
1896.....	78.3	106.9	116.6	83.8	56.7	63.2	91.3	31.0	27.2
1897.....	85.2	90.1	99.1	87.7	49.7	56.0	91.1	31.5	27.4
1898.....	96.1	68.6	76.5	94.4	39.1	44.9	93.4	28.1	24.3
1899.....	100.0	62.0	69.6	98.3	33.6	39.2	96.7	23.7	20.1
1900.....	109.5	47.9	54.9	104.2	26.0	31.3	106.8	12.0	3.7
1901.....	116.9	38.6	45.1	105.9	24.0	29.2	101.0	18.4	15.0
1902.....	130.5	24.1	30.0	111.3	18.0	22.9	102.0	17.3	13.8
1903.....	118.8	36.4	42.8	107.1	22.6	27.7	106.6	12.2	8.9
1904.....	126.2	28.4	34.4	107.2	22.5	27.6	109.8	8.9	5.7
1905.....	124.2	30.4	36.6	108.7	20.8	25.9	112.0	6.8	3.7
1906.....	123.6	31.1	37.2	112.6	16.6	21.5	120.0	b 3.3	b 3.3
1907.....	137.1	18.2	23.7	117.8	11.5	16.1	126.7	b 5.6	b 8.4
1908.....	133.1	21.7	27.4	120.6	8.9	13.4	116.9	2.3	b 0.7
1909.....	153.1	5.8	10.8	124.7	5.3	9.7	119.6	-----	b 2.9
1910.....	164.6	b 1.6	3.0	128.7	2.0	6.3	123.7	b 3.3	b 6.2
1911.....	162.0	-----	4.7	131.3	-----	4.2	119.6	-----	b 2.9
1911.									
January.....	155.0	-----	9.4	127.9	-----	7.0	121.9	-----	b 4.8
February.....	152.7	-----	11.1	127.6	-----	7.2	121.8	-----	b 4.7
March.....	156.2	-----	8.6	126.5	-----	8.1	121.9	-----	b 4.8
April.....	156.1	-----	8.6	126.5	-----	8.1	121.0	-----	b 4.1
May.....	157.5	-----	7.7	125.2	-----	9.3	120.6	-----	b 3.7
June.....	158.2	-----	7.2	128.8	-----	6.2	120.2	-----	b 3.4
July.....	163.4	-----	3.8	129.9	-----	5.3	120.1	-----	b 3.3
August.....	163.1	-----	4.0	134.3	-----	1.9	119.1	-----	b 2.5
September.....	168.2	-----	.8	134.5	-----	1.7	118.8	-----	b 2.3
October.....	172.0	-----	b 1.4	135.5	-----	1.0	117.3	-----	b 1.0
November.....	170.0	-----	b .2	135.9	-----	.7	116.6	-----	b .4
December.....	169.6	-----	-----	136.8	-----	-----	116.1	-----	-----

^a Average for 1890-1899=100.

^b Decrease.

Protection brings together diversified industries which never fail to vastly increase the personal intelligence, industry and wage earnings of the people.—Hon. Justin S. Morrill.

Many of our great industries, including the silk industry, the pottery industry, the carpet industry, and the steel-rail industry, had only a nominal existence until adequately protective duties were imposed on competing foreign products.—James M. Swank, in the "American Economist."

The 3,000,000 of men who went out of employment with the revision of the tariff by the Democratic party found employment in the enactment of the Dingley law by the Republican Party, and a million and a half have been added to those who have employment in the industries of the country.—Hon. P. P. Campbell, in Congress, April 1, 1904.

Those foreign countries which have adopted protection have, in the elements by which you have been accustomed to test the prosperity of a nation, improved in a greater ratio and more rapidly than we have ourselves; and I have also to point out that this tendency, which has become so manifest in recent years, is likely, as every sensible man of business knows, to be accentuated as time goes on.—Hon. Jos. Chamberlain, at Liverpool, October 27, 1903.

Relative prices of commodities, by years, 1891 to 1910, and by months, January to December, 1911, and per cent of increase in prices for 1911 over each preceding year, and for December, 1911, over each preceding month or year, by groups of commodities—Continued.

Year or month.	Fuel and lighting.			Metals and implements.			Lumber and building materials.		
	Relative price. ^a	Per cent of increase—		Relative price. ^a	Per cent of increase—		Relative price. ^a	Per cent of increase—	
		In 1911 over each preceding year.	In December, 1911, over each preceding month or year.		In 1911 over each preceding year.	In December, 1911, over each preceding month or year.		In 1911 over each preceding year.	In December, 1911, over each preceding month or year.
1890-----	104.7	16.9	17.4	119.2	0.2	b 0.5	111.0	36.8	30.0
1891-----	102.7	19.2	19.7	111.7	6.9	6.2	108.4	40.1	33.1
1892-----	101.1	21.1	21.6	106.0	12.6	11.9	102.8	47.8	40.4
1893-----	100.0	22.4	22.9	100.7	18.6	17.8	101.9	49.1	41.6
1894-----	92.4	32.5	33.0	90.7	31.6	30.8	96.3	57.7	49.8
1895-----	98.1	24.9	25.3	92.0	29.8	28.9	94.1	61.4	53.3
1896-----	104.3	17.4	17.8	93.7	27.4	26.6	93.4	62.6	54.5
1897-----	96.4	27.0	27.5	86.6	37.9	37.0	90.4	68.0	59.6
1898-----	95.4	28.3	28.8	86.4	38.2	37.3	95.8	58.6	50.6
1899-----	105.0	16.6	17.0	114.7	4.1	3.4	105.8	43.6	36.4
1900-----	120.9	1.2	1.7	120.5	b .9	b 1.6	115.7	31.3	24.7
1901-----	119.5	2.4	2.8	111.9	6.7	6.0	116.7	30.2	23.7
1902-----	134.3	b 8.9	b 8.5	117.2	1.9	1.2	118.8	27.9	21.5
1903-----	149.3	b 18.0	b 17.7	117.6	1.5	.9	121.4	25.1	18.9
1904-----	132.6	b 7.7	b 7.3	109.6	8.9	8.2	122.7	23.8	17.6
1905-----	128.8	b 5.0	b 4.6	122.5	b 2.5	b 3.2	127.7	19.0	13.0
1906-----	131.9	b 7.2	b 6.8	135.2	b 11.7	b 12.3	140.1	8.4	3.0
1907-----	135.0	b 9.3	b 9.0	143.4	b 16.7	b 17.3	146.9	3.4	b 1.8
1908-----	130.8	b 6.4	b 6.0	125.4	b 4.8	b 5.4	133.1	14.1	8.4
1909-----	129.3	b 5.3	b 5.0	124.8	b 4.3	b 5.0	138.4	9.8	4.3
1910-----	125.4	b 2.4	b 2.0	128.5	b 7.1	b 7.7	153.2	b .8	b 5.8
1911-----	122.4	-----	.4	119.4	-----	b .7	151.9	-----	b 5.0
1911.									
January-----	123.9	-----	b .8	119.4	-----	b .7	155.0	-----	b 6.9
February-----	124.1	-----	b 1.0	120.0	-----	b 1.2	156.9	-----	b 8.0
March-----	124.4	-----	b 1.2	120.6	-----	b 1.7	157.6	-----	b 8.4
April-----	121.0	-----	1.6	120.7	-----	b 1.7	159.4	-----	b 9.5
May-----	120.9	-----	1.7	120.0	-----	b 1.2	154.6	-----	b 6.7
June-----	120.8	-----	1.7	119.2	-----	b .5	150.3	-----	b 4.0
July-----	121.1	-----	1.5	119.1	-----	b .4	149.6	-----	b 3.7
August-----	121.9	-----	.8	119.6	-----	b .8	147.2	-----	b 2.0
September-----	122.2	-----	.0	119.3	-----	b .6	148.3	-----	b 2.7
October-----	123.0	-----	b .1	118.5	-----	.1	146.7	-----	b 1.6
November-----	122.4	-----	.4	117.7	-----	.8	146.4	-----	b 1.4
December-----	122.9	-----	-----	118.6	-----	-----	144.3	-----	-----

a Average for 1890-1899=100.

b Decrease.

The civilized world substantially protects itself, thus forcing us to protect ourselves.—Hon. D. B. Henderson, in the "American Economist."

The avowed policy of the National administration of these two Presidents has been and is to govern the islands, having regard to the interest and welfare of the Filipino people, and by the spread of general primary and industrial education and by practice in partial political control to fit the people themselves to maintain a stable and well-ordered government affording equality of right and opportunity to all citizens.—Hon. Wm. H. Taft, in special report to the President

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

Relative prices of commodities, by years, 1890 to 1911, and by months, January to December, 1911, and per cent of increase in prices for 1911 over each preceding year, and for December, 1911, over each preceding month or year, by groups of commodities—Concluded.

Year or month	Drugs and chemicals.			House-furnishing goods.			Miscellaneous.			All commodities.		
	Relative price. (a)	Per cent of increase—		Relative price. (a)	Per cent of increase—		Relative price. (a)	Per cent of increase—		Relative price. (a)	Per cent of increase—	
		In 1911 over each preceding year.	In December, 1911, over each preceding month or year		In 1911 over each preceding year.	In December, 1911, over each preceding month or year		In 1911 over each preceding year.	In December, 1911, over each preceding month or year		In 1911 over each preceding year.	In December, 1911, over each preceding month or year
1890.....	110.2	9.2	10.2	111.1	(b)	0.1	110.3	18.9	17.5	112.9	14.5	14.4
1891.....	103.6	16.1	17.2	110.2	0.8	.9	109.4	19.9	18.5	111.7	15.8	15.7
1892.....	102.9	16.9	18.0	106.5	4.3	4.4	106.2	23.5	22.0	106.1	21.9	21.8
1893.....	100.5	19.7	20.8	104.9	5.9	6.0	105.9	23.9	22.4	105.6	22.4	22.3
1894.....	89.8	34.0	35.2	100.1	11.0	11.1	99.8	31.5	29.9	96.1	34.5	34.4
1895.....	87.9	36.9	38.1	96.5	15.1	15.2	94.5	38.8	37.1	93.6	38.1	38.0
1896.....	92.6	29.9	31.1	94.0	18.2	18.3	91.4	43.5	41.8	90.4	43.0	42.9
1897.....	94.4	27.4	28.6	89.8	23.7	23.8	92.1	42.5	40.7	89.7	44.1	44.0
1898.....	106.6	12.9	13.9	92.0	20.8	20.9	92.4	42.0	40.3	93.4	38.4	38.3
1899.....	111.3	8.1	9.1	95.1	16.8	16.9	97.7	34.3	32.7	101.7	27.1	27.0
1900.....	115.7	4.0	4.9	106.1	4.7	4.8	109.8	19.5	18.0	110.5	17.0	16.9
1901.....	115.2	4.4	5.4	110.9	.2	.3	107.4	22.2	20.7	108.5	19.2	19.1
1902.....	114.2	5.3	6.3	112.2	c 1.0	c .9	114.1	15.0	13.6	112.9	14.5	14.4
1903.....	112.6	6.8	7.8	113.0	c 1.7	c 1.6	113.6	15.5	14.1	113.6	13.8	13.7
1904.....	110.0	9.4	10.4	111.7	c .5	c .4	111.7	17.5	16.0	113.0	14.4	14.3
1905.....	109.1	10.3	11.3	109.1	1.8	1.9	112.8	16.3	14.9	115.9	11.6	11.5
1906.....	101.2	18.9	20.0	111.0	.1	.2	121.1	8.3	7.0	122.5	5.6	5.5
1907.....	109.6	9.8	10.8	118.5	c 6.2	c 6.2	127.1	3.2	2.0	129.5	c .2	c .2
1908.....	110.4	9.0	10.0	114.0	c 2.5	c 2.5	119.9	9.4	8.1	122.8	5.3	5.2
1909.....	112.4	7.0	8.0	111.7	c .5	c .4	125.9	4.2	2.9	126.5	2.2	2.1
1910.....	117.0	2.8	3.8	111.6	c .4	c .4	133.1	c 1.4	c 2.6	131.6	c 1.7	c 1.8
1911.....	120.3	-----	.9	111.1	-----	.1	131.2	-----	c 1.2	129.3	-----	c .1
1911.												
Jan.....	117.8	-----	3.1	110.9	-----	.3	131.1	-----	c 1.1	128.9	-----	.2
Feb.....	118.5	-----	2.4	110.9	-----	.3	131.0	-----	c 1.1	129.0	-----	.2
Mar.....	118.7	-----	2.3	110.9	-----	.3	133.5	-----	c 2.9	129.3	-----	c .1
Apr.....	118.6	-----	2.4	111.2	-----	(d)	132.5	-----	c 2.2	129.0	-----	.2
May.....	118.8	-----	2.2	111.2	-----	(d)	131.4	-----	c 1.4	128.1	-----	.9
June.....	118.6	-----	2.4	111.2	-----	(d)	133.0	-----	c 2.6	128.4	-----	.6
July.....	119.8	-----	1.3	111.2	-----	(d)	129.8	-----	c .2	128.8	-----	.3
Aug.....	123.2	-----	c 1.5	111.2	-----	(d)	129.1	-----	.4	129.4	-----	c .2
Sept.....	122.5	-----	c .9	111.2	-----	(d)	129.8	-----	c 2.2	129.8	-----	c .5
Oct.....	123.2	-----	c 1.5	111.2	-----	(d)	132.9	-----	c 2.5	129.8	-----	c .5
Nov.....	121.9	-----	c .4	111.2	-----	(d)	130.8	-----	c .9	129.2	-----	(d)
Dec.....	121.4	-----	-----	111.2	-----	-----	129.6	-----	-----	129.2	-----	-----

a Average for 1890-1899=100.

b Same as average price for 1911.

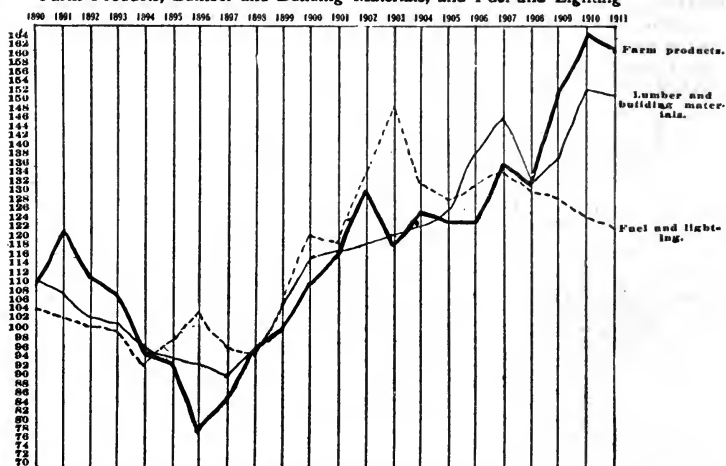
c Decrease.

d Same as average price for December.

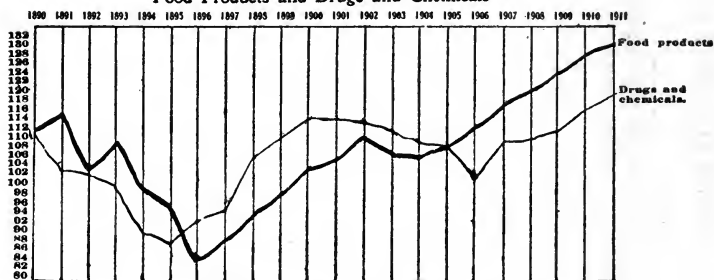
A glance at the three charts will show that the greatest increase in prices has been in commodities which are either raw or have passed through the least process of manufacture, namely: farm products, lumber and building materials, and fuel and light; that food products and chemicals, which are partly raw and partly manufactured, come next, while the prices of cloths and clothing, metals and implements, and house furnishing goods, which are practically all protected and the most highly manufactured commodities, have risen least.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned. It is important, however, that appeals to judicial remedies should be limited in such a way that parties will not use them merely to delay and so clog efficient and just executive or legislative action,—Hon. Wm. H. Taft, at Columbus, Ohio.

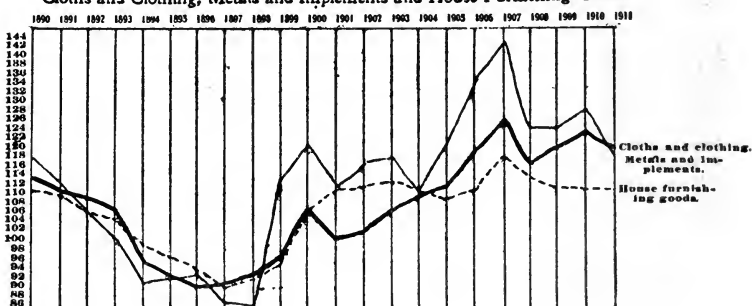
Farm Products, Lumber and Building Materials, and Fuel and Lighting



Food Products and Drugs and Chemicals



Cloths and Clothing, Metals and Implements and House Furnishing Goods



Protection steadily enlarges the home market for farm products.—Hon. L. R. Casey.

Protection alone insures American labor against European pauper wages.—Former Senator Casey, in the "American Economist."

Our Government should be as exacting from foreigners as from Americans. Make them pay duty while we pay taxes.—Hon. P. C. Cheney.

The present business system of the country rests on the protective tariff, and any attempt to change it to a free-trade basis will certainly lead to disaster.—Hon. Wm. H. Taft, at Columbus, Ohio.

Every one knows that the average American consumer pays more than the average British consumer. Yet the British consumer, in spite of that advantage, is by no means so well off as the American consumer.—The London "Daily Telegraph."

PROSPERITY UNDER PRESIDENT TAFT'S ADMINISTRATION.

Prosperity among the people of the United States during the three years of President Taft's administration has fully kept pace with that which has characterized conditions in the United States since the return in 1897 to the policies of the Republican Party. Industrial, commercial and financial activities may be considered, separately or in combination, as evidences of the prosperity of a nation and its people. In determining whether the people of the United States have been prosperous during the 15 years since the return to Republican principles, and especially during the last three years, consideration should be given to the evidences of industrial activity, the growth of commerce, the movements of merchandise by the great transportation systems of the country, and the activities of the great financial institutions which supply the necessary funds for the conduct of the various branches of industry and commerce upon which depend the employment and earnings, and therefore the prosperity of the people. It is therefore essential in this discussion of prosperity to merely present in concrete form the figures which evidence the activities in these lines and the results which have followed.

Agriculture.

First, as to the value of agricultural products, for agriculture must still be considered the basis of our prosperity. The estimates of the Department of Agriculture as to wealth production on farms cover the period from 1900 to 1911, and a recent issue of the Wall Street Journal, an accepted authority, makes also an estimate of the value of all crops for 1912 based upon the June, 1912, reports of the Department of Agriculture. These figures of wealth production on farms, year by year, from 1900 to 1911, with the estimate for 1912 above referred to, are as follows:

Year.	Value of farm products.
1900	\$4,717,069,973
1901	5,317,000,000
1902	5,617,000,000
1903	5,917,000,000
1904	6,159,000,000
1905	6,309,000,000
1906	6,755,000,000
1907	7,488,000,000
1908	7,778,000,000
1909	8,760,000,000
1910	8,694,000,000
1911	8,417,000,000
1912*	8,912,700,000

*Estimated by Wall Street Journal.

Another evidence of the prosperity of the agricultural element is found in the enormous increase in the value of farm properties as shown by a comparison of the Census figures of 1910 with those of 1900, the collection of statistics upon this subject being only that of the decennial census. The Census figures of 1900, showing value of farms and farm property, including buildings, were \$20,440,000,000, and those of 1910, \$40,991,000,000, the stated value of farms and farm property having thus actually doubled during the decade from 1900 to 1910. The average value of farm land per acre was, according to the Census figures, in 1900, \$15.57, and in 1910, \$32.40; while "the average value of

all property per acre on land in farms" was, in 1900, \$24.37, and in 1910, \$46.64. Prices of principal farm products in the New York wholesale markets, as recorded by the Bureau of Statistics, were: of wheat, No. 2, red winter, in June, 1912, \$1.121½ per bushel, against an average of \$1.04⅞ during the calendar year 1908, the year immediately preceding the beginning of the present Administration; 96.3 cents in 1907, 86.5 cents in 1906, and \$1.028 in 1905, the figure for June 6, 1912, being higher than the average of any earlier year from 1890 down to date, except 1909, when the average was \$1.263. Of corn the wholesale price on June 1, 1912, was 85 cents per bushel, against an average of 71.1 cents in 1911, 66.8 cents in 1910, 76.7 cents in 1909, and 78.6 cents in 1908, the figure for June being higher than the average of any year from 1890 down to 1912. Of cotton, the June 7, 1912, figures show the price in New York 11.65 cents per pound, against an average of 13.01 cents in the calendar year 1911, 15.11 cents in 1910, 12.68 cents in 1909, 10.62 cents in 1908, 9.25 cents in 1900, and 5.94 cents in 1898. Of cattle, the Bureau of Statistics' reports from Chicago of "top price per 100 pounds for native steers on the hoof" are, for June 1, 1912, \$9.35, against \$6.50 on June 3, 1911; \$8.55 in June, 1910, \$7.25 in June, 1909, and \$7.75 in June, 1908. The number of cattle on farms, however, is materially reduced, as shown by tables printed elsewhere, the number of milch cows, according to the estimates of the Department of Agriculture, being 20,699,000 on June 1, 1912, against 21,720,000 at the corresponding date in 1909, and of oxen and cattle aside from cows, 37,260,000 on January 1, 1912, against its estimate of 49,379,000 for January 1, 1909, and the Census figures of 41,173,744 for April, 1910.

Manufactures.

That manufacturing industries of the United States also show great prosperity, equal perhaps to that of the agricultural industries, is quite apparent from a study of the Census and Bureau of Statistics' figures. The Census Bureau recorded the manufactures produced in the United States in the calendar year 1904 and 1909 through its census of manufactures of 1905 and the general census of 1910, while estimates as to the activities of the manufacturing industries later than the results shown by the census may be made, with a fair degree of accuracy, from Bureau of Statistics figures. The Census Bureau recorded the manufacturers' material and exports of manufactures. The Census Bureau shows the number of wage earners, amount of wages paid and value of manufactures produced in the United States at each decennial census since 1850 and including the quinquennial census of 1905, as follows:

Year.	Number of wage earners.	Wages paid.	Value of manufactured products.
1850.....	957,059	\$236,755,464	\$1,019,106,616
1860.....	1,311,246	378,878,966	1,885,861,676
1870.....	2,053,996	775,584,343	4,232,325,442
1880.....	2,732,595	947,953,795	5,369,579,191
1890.....	4,251,613	1,891,228,321	9,372,437,283
1900.....	5,308,406	2,322,333,877	13,004,400,143
1905.....	5,470,321	2,611,540,532	14,802,147,087
1910.....	6,615,046	3,427,037,884	20,672,051,870

It will be seen from the above table that the number of wage earners in the manufacturing industries increased considerably more than one million in the decennial period 1900-1910; that the wages paid increased more than one billion dollars, and that the value of manufactures turned out grew from 13 billion to 20 2/3 billion dollars. These Census figures of 1910, as above indicated, cover the production in the calendar year 1909. As to the details of this growth in manufactures, the increased production of the various classes of articles, and wages paid

in the production of the various groups of articles, together with a comparison of the figures of 1910 with those of earlier years, the reader is referred to a table printed on another page of this volume, and readily found by means of the Index, which shows the number of persons employed, the amount of wages paid, and value of product of about 50 principal articles of manufacture. A view of the prosperity of any given line of industry and of the workers engaged therein may therefore be obtained by a study of the figures in question. Another table, also of interest in showing the effect of manufacturing activities upon other closely allied industries is that entitled "Relative Conditions of Prosperity in the Manufacturing and Non-manufacturing Sections of the United States, Respectively," which shows a much greater value of farm property, bank deposits, and other evidences of prosperity in those sections in which the principal manufacturing industries are located than in the non-manufacturing section. (See map and table on cover of this volume.)

The figures above quoted, as already indicated, relate to conditions in census years. Evidence of prosperity in the manufacturing industries in years subsequent to the census of 1910, which covered the operations of 1909, is found in the Bureau of Statistics figures of imports of manufacturers' materials and exports of manufactures. These figures show the value of crude materials imported for use in manufacturing, in the fiscal year 1909, at 451 million dollars; in 1910, 568 million; in 1911, 511 million, and for 1912 is estimated by the Bureau of Statistics at about 650 million dollars. The value of manufactures imported for further use in manufacturing was, in 1909, 222 million dollars; in 1910, 285 million; in 1911, 288 million, and for the fiscal year 1912 is slightly in excess of the figures for 1911. "Free raw material" has been the slogan of the Democracy for many years. The figures of the Bureau of Statistics show that the value of merchandise imported free of duty was, in the fiscal year 1895 under the low tariff Wilson law, 363 million dollars, and in 1896, still under the same law, 370 million dollars; while in the fiscal year 1909 under the Dingley law the value of the free merchandise imported was 600 million dollars; in 1910, the first year under the Payne law, 755 million dollars; in 1911, 777 million, and for the fiscal year 1912 approximately 900 million dollars. If to this enormous figure of 900 million dollars' worth of free merchandise entering the United States under the Payne law in 1912 is added the value of non-dutiable merchandise brought from Porto Rico and Hawaii—all of which enters free of duty as a result of Republican legislation—the value of duty-free imports entering continental United States during the fiscal year 1912 will aggregate one billion dollars, against an annual average of 371½ million dollars during the three years in which the Wilson low tariff—free raw material—law was in operation.

Another evidence of the activity of the manufacturers of the United States is found in the very large exportations of manufactures, which for the fiscal year 1912 amounts to over one billion dollars. Thus the remark of the late Thomas B. Reed that "the United States is a billion dollar country" is exemplified in the fact that *in the fiscal year 1912 the merchandise entering continental United States free of duty—ON WHICH NOT ONE PENNY OF TARIFF IS PAID—amounts to one billion dollars*, the value of manufactures exported also amounts to one billion dollars, while the total value of merchandise exported is about two and one-quarter billion dollars and exceeds that of any earlier year.

Another feature of interest in the figures of exports of manufactures is the contradiction which they give to the frequent assertion that other parts of the world will not buy from a country which maintains a high tariff upon merchandise imported. During the three years' operation of the Wilson low tariff law, in which exports were stimulated by depressed conditions at home, the total value of merchandise exported averaged 896 million dollars per annum and the value of manufactures exported 258 million per annum. Thus the average annual ex-

portation from the United States in the three years' operation of the Wilson low tariff law was 896 million dollars, against about 2,250 million in 1912, under the Payne law; and the average annual value of manufactures exported during the three years' operation of the Wilson law, 258 million dollars, as compared with 1,000 million in the fiscal year 1912, under the Payne law. These figures evidence not only prosperity in 1912, but also prove the inaccuracy of the claim that a protective tariff interferes with exportation. Detailed figures of the imports and exports by great groups for a long term of years are printed on other pages of this volume and can readily be found by reference to the Index. The above figures, it is proper to state, are those of fiscal years and under the term, "manufactures," include both manufactures for further use in manufacturing and manufactures ready for consumption, but not manufactured foodstuffs.

Transportation.

Still further evidence of business and industrial activity is shown in the figures of freight moved by the railways of the country, details of which will be found in tables appearing elsewhere in this volume, readily found by reference to the Index; and while the latest figures available in the reports of the Interstate Commerce Commission are for the year 1910, they show a marked contrast with those of earlier years. The number of tons of freight reported as carried in 1910 is 1,850 million, against 687 million in 1895, 1,082 million in 1900, and 1,428 million in 1905; the total quantity of freight moved by rail in 1910, under the operations of the Payne law, being thus nearly three times as great as in 1895, under the operations of the Wilson law. The compensation paid to employees in 1910 is given at 1,144 million dollars, against 447 million dollars in 1894, these figures being in all cases those of the Interstate Commerce Commission. Meantime the revenue per ton per mile received by the railroads has fallen from an average of 0.86 cents in 1894 to 0.753 cents in 1910.

General Business Conditions.

Another evidence of prosperity is found in bank deposits and bank clearings, deposits in savings banks relating especially to the prosperity of the masses, while like figures for other classes of banks apply more especially to those engaged in manufacturing, transportation and commerce. A table printed on another page and readily found by reference to the Index will show the bank deposits and bank clearings for a long term of years. These tables show that deposits in savings banks, which amounted to 1,778 million dollars in 1894, had reached 2,390 million in 1900, 4,070 million in 1910, and 4,213 million in 1911; the number of depositors having increased from 4,777,687 in 1894 to 9,597,185 in 1911. The total bank deposits, including in this term National banks, State banks, and private banks, are shown to have been 4,651 million dollars in 1894, 7,239 million in 1900, 15,283 million in 1910, and 15,906 million dollars in 1911. Bank clearings, which in 1894 amounted to 45 billion dollars, were in 1900 85 billion, in 1905 141 billion, and in 1911 159 billion dollars, a higher figure than in any earlier year except 1910, when the total reached 169 billion.

Other evidences of prosperity in greater detail as to classes, groups of industries, etc., are found in a table on another page entitled "Financial, Commercial, and Industrial Conditions in the United States in 1892, 1896, and 1912."

One evidence of prosperity of which little is seen on the surface is the vast increase in the number of people who are shareholders in the great railroad and industrial corporations of the country. The Wall Street Journal recently published a statement, compiled from official returns of 242 corporations, which had voluntarily made statements on the subject, and these returns showed 872,393 persons who are shareholders in 1911 against

394,842 five years ago and 226,480 ten years ago. The number of shareholders in the 242 corporations had increased 120 per cent in five years and 280 per cent in ten years. Women form from 30 to 50 per cent of the shareholders in certain of the great corporations. One company, the Pennsylvania, showed that its stock was held by 69,760 persons. Five years ago its shareholders numbered but 40,153. While it is not improbable that the list of shareholders reported by the 242 corporations contains some duplications by reason of the fact that in some cases one person is a holder of shares in more than one company, the fact that the entire stock of the 242 companies reporting was but a small share of the total of stocks of the various corporations and business organizations of the country, indicates that the total number of persons having investments in securities of this class is very large—is in fact to be counted by millions.

COMPARISON OF CONDITIONS IN 1912 WITH THOSE OF 1897.

Financial, Commercial and Industrial Conditions in the United States in 1897 and at Latest Available Date.

Value of all farm products, estimated by the Department of Agriculture: in 1897, 4,250 million dollars; in 1907, 7,500 millions; in 1911, 8,417 millions.

Value of farm animals: on January 1, 1897, \$1,655,415,000; on January 1, 1908, \$4,331,230,000; on January 1, 1912, \$5,008,149,000.

Value of horses: 1897, \$452,650,000; in 1908, \$1,867,530,000; in 1912, \$2,172,573,000.

Value of mules: 1897, \$92,302,000; in 1908, \$416,939,000; in 1912, \$525,600,000.

Value of cattle: 1897, \$877,169,414; in 1908, \$1,495,995,000; in 1912, \$1,605,478,000.

Value of sheep: 1897, \$67,021,000; in 1908, \$211,736,000; in 1912, \$181,170,000.

Value of swine: 1897, \$166,273,000; in 1908, \$339,030,000; in 1912, \$523,328,000.

Farm value of sheep per head: 1897, \$2.46; in 1907, \$3.88; in 1912, \$3.46.

Value of wool product: 1897, 30 million dollars; in 1907, 78 millions; in 1911, 67 millions.

Farm value of the corn crop: 1897, 501 million dollars; in 1907, 1,337 millions; in 1911, 1,565 millions.

Farm value of wheat crop: 1897, 428 million dollars; in 1907, 554 millions; in 1912, 543 millions.

Hay crop of the United States: 1897, 401 million dollars; in 1907, 744 millions; in 1911, 695 millions.

Potato crop of the United States: 1897, 90 million dollars; in 1907, 184 millions; in 1911, 234 millions.

Beet sugar product of the United States: 1897, 84 million pounds; in 1907, 967 millions, or eleven times as much in 1907 as in 1897, and the beet sugar production in 1910 was 1,020,344,000 pounds or nearly twice as great as that of the cane sugar production of the United States for the same year.

Farm value of corn per bushel: in 1897, 26.3 cents; in 1907, 51.6 cents; in 1911, 61.8 cents.

Farm value of wheat per bushel: in 1897, 80.8 cents; in 1907, 87.4 cents; in 1911, 87.4 cents.

Value of cotton crop: in 1897, 288 million dollars; in 1907, 683 millions. (Estimate of New Orleans Cotton Exchange.) In 1912, 860 millions.

Price of middling cotton per pound in the New York market: 1897, 7 cents; in 1907, 12.1 cents; in 1911, 13 cents.

Price of medium Ohio fleece wool per pound: January, 1897, 21 cents; January, 1907, 39 cents; January, 1911, 34 cents.

Average price of corn in the New York market: in January, 1897, 32 cents per pound; in January, 1907, 64 cents per pound; in February, 1912, 78 cents per pound.

Pig iron production in 1897, 9,652,000 tons; in 1907, 25,781,000 tons; in 1911, 23,649,547 tons.

Coal production: 1897, 178,776,000 tons; in 1907, 429 million tons; in 1910, 448 million tons.

Tin plates manufactured: 1897, 574,779,000 pounds; in 1906, 1,294,000,000 pounds; in 1910, 1,619,005,000 pounds.

Cotton manufactured by American mills: in 1897, 2,792,000 bales; in 1907, 5,005,000 bales; in 1911, 4,705,000 bales.

Cotton imported for use in manufacturing in 1897, 51,899,000 pounds; in 1907, 104,792,000 pounds; in 1912, 109,780,071 pounds.

Wool imported for use in manufacturing: in 1897, 350,852,000 pounds; in 1907, 203,848,000 pounds; in 1912, 193,400,713 pounds, showing the contrast under protection and free trade.

Raw silk imported for use in manufacturing: in 1897, 7,993,000 pounds; in 1907, 18,744,000 pounds; in 1912, 26,584,962 pounds.

Crude rubber imported for use in manufacturing: in 1897, 35,574,000 pounds; in 1907, 76,964,000 pounds; in 1912, 110,210,173 pounds.

Pig tin imported for use in manufacturing tin plates: in 1897, 6½ million dollars; in 1907, 38 million dollars; in 1912, 46 million dollars.

Value of all mineral products: in 1897, \$647,000,000; in 1906, \$1,903,000,000; in 1911, \$2,004,000,000.

Total domestic exports: in 1897, 1,032 million dollars; in 1907, 1,854 millions; in 1912, \$2,170,319,828.

Exports of manufactures: 1897, 311 million dollars; in 1907, 740 millions; in 1912, \$1,021,753,918.

Share which manufactures form of the exports: 1897, 30 per cent; 1907, 40 per cent; 1912, 47 per cent.

Imports: 1897, \$764,730,000; in 1907, \$1,434,421,000; 1912, \$1,653,355,000.

Imports of raw material for use in manufacturing: 1897, \$196,159,000; in 1907, \$477,027,000; in 1911, \$511,362,000.

Imports free of duty: 1897, 382 million dollars; in 1907, 644 millions; in 1912, 881 millions.

Imports dutiable: 1897, 383 million dollars; in 1907, 790 millions; in 1912, 772 millions.

Excess of exports over imports: 1897, \$286,263,144; in 1907, \$446,429,653; in 1912, \$550,967,475, and the excess of exports over imports since the Dingley Act went into effect, over 7 billion dollars.

Money in circulation: July 1, 1897, 1,640 million dollars; 1908, 3,038 millions; 1912, 3,277 millions.

Gold and gold certificates in circulation: July 1, 1897, 555 million dollars; 1908, 1,213 million dollars; 1912, 1,550 million dollars.

Per capita money in circulation: July 1, 1897, \$22.87; 1908, \$34.72; 1912, \$34.26.

Interest on public debt: July 1, 1897, \$34,387,000; 1908, \$21,101,000; 1912, \$22,787,084.

Per capita interest charged: July 1, 1897, 48 cents; 1908, 24 cents; 1912, 24 cents.

Number of national banks in operation in United States: October 5, 1897, 3,610; February 14, 1908, 6,698; June 14, 1912, 7,372.

Capital stock of national banks in operation: October 5, 1897, \$631,500,000; February 14, 1908, \$905,550,000; June 14, 1912, \$1,033,570,675.

Loans and discounts of national banks: October 5, 1897, 2,067 million dollars; February 14, 1908, 4,422 millions; June 14, 1912, 5,954 millions.

Deposits in all banks in the United States: 1897, 5,095 million dollars; 1907, 13,100 millions; 1911, 15,906 millions.

Deposits in saving banks: 1897, 1,983 million dollars; 1907, 3,495 millions; 1911, 4,213 millions.

Number of depositors in savings banks: 1897, 5,201,132; 1907, 8,588,811; 1911, 9,597,185.

Bank clearings in the United States: 1897, 54 billion dollars; 1907, 155 billions; 1911, 159 billions.

Wealth. (There are no figures for 1897 or 1907.) Census estimate for 1900 is 88,517 million dollars, and for 1904, 107,104 millions.

Industrial insurance in force: 1897, 996 million dollars; in 1906, 2,454 millions; 1911, 3,177 millions.

Students in colleges, universities, and schools of technology: in 1897, 86,000; in 1906, 129,000; in 1911, 183,572.

Telegraph messages sent by Western Union Telegraph Company: 1897, 58,152,000; in 1907, 77,806,000; in 1911, 77,781,000.

Railways in operation in the United States: 1897, 184,591 miles; 1907, 228,509 miles; 1910, 249,992 miles, an increase of 21,483 miles.

Passengers carried: 1897, 504 millions; 1906, 815 millions; 1910, 972 millions.

Tons of freight carried: 1897, 788 millions; 1906, 1,631 millions; 1910, 1,850 millions.

Railways placed under receivership: 1897, 1,537 miles; 1907, 317 miles; 1911, 2,606 miles.

Railways sold under foreclosure: 1897, 6,675 miles; 1907, 114 miles; 1911, 1,386 miles.

Electric railways in the United States: 1897, 13,765 miles; 1906, 36,212 miles; 1910, 40,088 miles.

Average freight rates on wheat from St. Louis to Liverpool: 1897, 20.33 cents per bushel; in 1907, 15.87 cents per bushel; 1911, 13.60 cents per bushel.

Tonnage of vessels owned on the ocean frontage, lakes and western rivers of the United States: 1897, 4,769,000 tons; 1907, 6,939,000 tons; 1911, 7,699,000 tons.

Vessels built in the United States: 1897, 232,233 tons; 1907, 471,332 tons; 1911, 291,162 tons.

Tonnage of vessels from foreign countries entering the ports of the United States: 1897, 23,760,000 tons; 1907, 36,622,000 tons; 1911, 42,675,000 tons.

Tonnage of vessels passing through the Sault Ste. Marie Canal: 1897, 17,620,000 tons; 1907, 44,088,000 tons; 1911, 41,653,000 tons.

Telephone subscribers of the American Telephone and Telegraph Company and others associated with it: 1897, 325,000; January 1, 1908, 3,035,000; 1910, 3,588,000.

Number of railway employees: 1897, 823,476; 1906, 1,521,355; 1910, 1,699,420.

Wages paid by railways: 1897, 466 million dollars; 1906, 901 millions; 1910, 1,144 millions.

Expenditures for public schools in the United States: 1897, \$187,682,000; 1906, \$307,766,000; 1910 (salaries of teachers only), \$426,250,000.

Immigrants arrived: 1897, 230,832; 1907, 1,285,349; 1911, 878,587.

Original homestead entries in the United States: 1897, 4,452,000 acres; 1907, 14,755,000 acres; 1911, 17,639,000 acres.

Public lands sold for cash: 1897, 7,754,000 acres; 1907, 20,867,000 acres; 1911, 19,211,000 acres.

AGRICULTURAL PROSPERITY.

Agricultural Prosperity Under Republican Administration, Depression Under Democratic Rule.

The farmers of the country create most of its wealth and, during the last twenty-two years, sent abroad 61 per cent of our exports in addition to producing much of the material from which manufactures are made that are used at home and abroad. The Republican administration has greatly developed agricultural investigation in the last fifteen years, until scientific inquiry is being made in all our States and Territories and in the isles of the sea under our flag, to the end that we may produce

the necessities of life for ourselves and those for whom we are responsible. The power of the man and the acre to produce is being increased all over the land; new grains, grasses, fruits, fibers, and vegetables are being imported from foreign countries into continental United States and into our islands in order to diversify crops and bring into productiveness sections of our country that have heretofore been barren. The weather, the animals, the plants, the forests, the soils, our roads, our foods, our insect friends and enemies are being studied from the farmer's standpoint by over 2,000 scientists in the Department of Agriculture, which has grown in helpfulness every day since 1896.

The farm value of the wheat, corn, and oat crops in 1911 was nearly two and two-thirds times that of 1896, the last year of the Cleveland administration. This is rather a startling statement, but it is borne out by the Yearbook published by the Department of Agriculture, and made up from official figures which have no partisan bias.

For the year 1896 the farm value of corn was \$491,000,000; that of the wheat crop, \$311,000,000; and that of the oat crop, \$132,000,000; the total farm value of the three crops for that year being \$934,000,000.

The farm value of the corn crop in 1900 was \$751,000,000; that of the wheat crop, \$323,500,000; and that of the oat crop, \$208,700,000, making the total farm value of the three crops in 1900 \$1,283,000,000, or \$349,000,000 more than the farm value of the same crops in 1896.

In 1911 the farm value of the corn crop was \$1,565,258,000; that of the wheat crop, \$543,063,000; and that of the oat crop, \$414,663,000; a total farm value of the three crops in 1911, of \$2,522,984,000 or \$1,239,580,000 more than the farm value of the same crops in 1900, and \$1,588,904,000 more than their farm value in 1896.

Increase in Farm Values.

This increase in farm value under Republican administrations is not accidental. It is a matter of history that rural prosperity and Republican rule are coincident; it is equally a matter of record that agricultural depression, mortgage foreclosures, and low prices for farm products accompany Democratic administration of national affairs. The prosperity of the farmer depends upon the prosperity of all other industrial elements of our population. When the industrial classes are employed at American wages their consumption of farm products is on a liberal scale and they are able and willing to pay good prices for the necessities and luxuries of life. Under such conditions there is a good market for all the farmer has to sell. When the reverse is true and the workmen are idle or working scant time at cut wages, they are forced to practice pinching economy and the farmer necessarily loses part of his market. The American farmer is prosperous when well paid workmen are carrying well-filled dinner pails, a condition which has accompanied Republican supremacy since the birth of the party.

The records for the last seven administrations, five Republican and two Democratic, show that the farmers received more for their crops under Republican administrations than under Democratic administrations.

The farm value of the corn crops for the four years of Cleveland's first administration, from 1885 to 1888, aggregated \$2,570,000,000.

In the four years of the Harrison administration which followed, the farm value of the corn crop aggregated \$2,831,000,000, an increase in value of more than \$260,000,000 over that of this crop during the Cleveland administration.

For the next four years, while Mr. Cleveland was President and Democratic policies were in force, the farm value of the corn crop aggregated \$2,182,000,000, a decrease of \$649,000,000 from that during the Harrison administration.

Then came the Republican administration of William McKinley and for the four years of that administration the farm value of the corn crop aggregated \$2,434,000,000, or an increase of \$252,000,000 over that of the last Democratic administration; in the succeeding four years, 1901-4, it was \$3,979,000,000, or nearly double the value of the crop of the last Democratic administration; in 1905-8 the corn crop was valued at \$5,236,000,000, while in the first three years of the present administration it was \$4,427,000,000, or, in three years, \$2,245,000,000 more than in the four years of the second Cleveland administration.

The value of the live stock on the farms of the country, which was reported by the Agricultural Department, January 1, 1897, as \$1,655,000,000, was reported at \$5,008,000,000 on January 1, 1912, an increase of \$3,353,000,000 in fifteen years.

With the increased activity, increased earnings, and increased consumption, the farmer has received greatly increased prices for his productions.

The Agricultural Department reports an increase of \$348,000,000 in the farm value of the cereals alone in 1900, as compared with 1896, and a further increase of \$1,373,000,000 in 1911, as compared with 1900, making a total increase of \$1,721,000,000, these figures representing the actual value upon the farm before leaving the hands of the producer, while other articles of farm production show an equal advance in value.

The exportation of agricultural products increased from \$574,000,000 in the fiscal year ending June 30, 1896, to \$845,000,000 in the fiscal year 1900, and to \$848,000,000 in the fiscal year 1911, a total increase of \$274,000,000 in the mere surplus remaining after supplying the great and rapidly expanding home market.

Wheat and Oats.

The same law of fluctuation according to political policies in administration held good as to wheat and oats. The farm value of the wheat crop for the four years of the first Cleveland administration aggregated \$1,285,000,000, and for the next four years, including the Harrison administration, the farm value of the wheat crop aggregated \$1,513,000,000, an increase of \$228,000,000 in the farm value of the wheat over that for the preceding Democratic administration.

For the next four years, under the second Cleveland administration, the farm value of the wheat crop aggregated \$988,000,000, a shrinkage of \$525,000,000 in the value of the wheat crop from the preceding four years under Republican administration.

Again came a change of policy in government, and during the first four years of the McKinley administration the wheat crop took another advance in value. For these four years of the McKinley administration the farm value of the wheat crop aggregated \$1,464,000,000, an increase in value amounting to nearly \$500,000,000.

In the next four years, or during the McKinley-Roosevelt administration, the wheat crop was worth \$1,843,000,000 to the farmers, or \$855,000,000 more than during the second Cleveland administration. For the succeeding four years of the Republican administration ending March 4, 1909, the farm value of the wheat crop amounted to \$2,180,000,000, while during the first three years of the present administration the wheat crops were worth \$1,778,000,000, or \$790,000,000 more than in the four years of the second Cleveland administration.

The farm value of the oat crop in the four years of the first Cleveland administration aggregated \$762,000,000; for the next four years, under the Harrison administration, the farm value of the oat crop increased to \$835,000,000; for the next four years, under Cleveland, this crop decreased in value to \$699,000,000; for the next four years, under the McKinley administration, it increased to \$741,000,000; during the four years of the McKinley-Roosevelt administration it was \$1,145,000, and in 1905-8 the value reached \$1,299,000,000.

During the last three years of the Republican administration its aggregate value has been \$1,228,000,000, or \$529,000,000 more in three years than during the preceding four years of the second Cleveland administration.

The farm value of the hay crop in 1896 was \$388,000,000; in 1900 it was \$445,500,000; and in 1911 it was \$695,000,000 (a preliminary estimate).

The farm value of the potato crop in 1896 was \$72,000,000; in 1900 it was \$90,800,000; and in 1911 it was \$389,000,000.

Farm Animals.

During the fifteen years of Republican administration, the farm animals of the country have increased in value from \$1,655,000,000 on January 1, 1897, to \$5,008,000,000 on January 1, 1912.

The number of horses has increased from 14,365,000 to 20,508,000, and their value from \$453,000,000 to \$2,173,000,000.

The number of mules has increased from 2,216,000 to 4,362,000, and their value from \$92,000,000 to \$526,000,000.

The number of milch cows has increased from 15,942,000 to 20,699,000, and their value from \$369,000,000 to \$815,000,000.

The number of cattle other than milch cows has increased from 30,508,000 to 37,260,000, and their value from \$508,000,000 to \$790,000,000.

The number of sheep has increased from 36,819,000 to 52,362,000, and their value from \$67,000,000 to \$181,000,000.

The number of swine has increased from 40,600,000 to 65,410,000, and their value from \$166,000,000 to \$523,000,000.

It will readily be perceived from the foregoing figures that the increase in total value is far more than proportional to the increase in number. The total value of sheep, for example, is more than thrice; that of mules, five and two-thirds times; and that of horses more than four and four-fifths times as great as it was when the Republicans took hold of the administration of the country fifteen years ago.

The "man with the hoe" has only to look at the record to see which way points to prosperity.

Value of Farm Animals under Harrison, Cleveland, McKinley, Roosevelt, and Taft.

After lands and improvements, the greatest item of wealth of the American farmer is his live stock, and the value of such farm stock is a perfect barometer of his financial condition. Practically the highest point ever reached up to that time was at the close of 1892, the last year of the Harrison administration, when the valuation was \$2,462,000,000, the country being prosperous, labor fully employed, and wages good. The lowest point reached in the last 27 years was at the close of 1896, when mills were closed, fires drawn, labor idle, capital in hiding, and business confidence destroyed by four years of Democratic administration. In four years the shrinkage of this form of farm wealth had amounted to 33 per cent, making \$807,000,000 the price which the owners of live stock paid for the Democratic experiment of 1892. In the years of industrial activity which followed the election of McKinley, the value of live stock has kept pace upward with the increased earning and spending capacity of American labor, and on January 1, 1900, it had advanced to \$2,288,000,000, or a rise of \$633,000,000, or 32 per cent, from the depths of depression. The figures in detail, as shown in the official reports of the Department of Agriculture, are as follows:

Value of live stock.

	Jan. 1, 1892, Harrison.	Jan. 1, 1897, Cleveland.	Jan. 1, 1900, McKinley.	Jan. 1, 1908, Roosevelt.	Jan. 1, 1912, Taft.
Horses-----	\$1,007,593,636	\$452,649,396	\$603,969,042	\$1,867,530,000	\$2,172,573,000
Mules-----	174,882,070	92,302,000	111,717,092	416,939,000	525,600,000
Cows-----	351,373,132	369,239,993	514,812,106	650,057,000	815,414,000
Cattle-----	570,749,155	507,929,421	689,487,260	845,938,000	790,064,000
Sheep-----	116,121,290	67,020,942	122,665,913	211,736,000	181,170,000
Hogs-----	241,031,415	166,272,770	245,725,000	339,030,000	523,828,000
Total----	2,461,755,698	1,655,414,612	2,288,375,413	4,331,230,000	5,008,149,000

EXCHANGE VALUE OF FARM PRODUCTS.

Prices of Raw Materials Compared with Prices of Manufactured Articles, 1896 and 1911.

The figures published in Bulletin No. 99 of the United States Bureau of Labor and which are discussed on another page, show that while there has been an increase in the prices of nearly all commodities in recent years, the increase has been greatest in the prices of farm products. It is interesting in this connection to determine in what degree the farmer has been benefited by this rise. The following figures, which were compiled from the Bureau of Labor price statistics show the percent of advance in 1911 as compared with 1896, the last year of Democratic administration, the commodities being grouped as in the original source. The comparisons are between wholesale prices, as they are more sensitive than retail prices and more quickly reflect changes in conditions:

Comparative advance in the price of farm products and other groups of commodities, 1911, compared with 1896.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Group.	Advance in prices.	Increase in purchasing power of farm products.
	Per cent.	Per cent.
Farm products -----	106.9	
Food -----	56.7	32.0
Cloths and clothing-----	31.0	58.0
Fuel and light-----	17.4	76.3
Metals and implements-----	27.4	62.4
Lumber and building materials-----	62.6	27.2
Drugs and chemicals-----	29.9	59.2
House furnishing goods-----	18.2	75.0
Miscellaneous articles-----	43.5	44.1
All commodities-----	43.0	44.7

Comparing the prices in 1911 with those in 1896, farm products show an advance of nearly 107 per cent; that is, for every \$100 received from the sale of farm products in 1896 the farmer received \$206.90 for the same quantity in 1911. Food, etc., advanced 56.7 per cent, or about half as much as farm products; cloths and clothing, 31.0 per cent; fuel and lighting, 17.4 per cent; metals and implements, 27.4 per cent; lumber and building materials, 62.6 per cent; drugs and chemicals, 29.9 per cent; house furnishing goods, 18.2 per cent; miscellaneous articles, 43.5 per cent.

The real advantage to the farmer, however, of the increase in the prices of commodities is shown by a comparison of what a given quantity of farm products would purchase in other commodities in 1911 as compared with 1896. According to the above table the same quantity of farm products would purchase in 1911, 32 per cent more food and food products than in 1896. It would purchase 58 per cent more cloths and clothing; 76.3 more of the articles included in the fuel and light group; 62.4 per cent more metals and implements; 27.2 per cent more lumber and building materials; 59.2 more drugs and chemicals, and 75 per cent more house furnishing goods.

This shows that no one has been benefited by the advance in prices as much as the farmer; that in 1911 the prices of farm products, taken collectively, were 106.9 per cent, or more than double the farm prices in 1896, and that when the advance in prices of other articles is considered the purchasing power of farm products in 1911 when compared with the prices of other specified groups of articles was from 27 to 76 per cent greater than in 1896.

The above table shows the advance in prices and in the purchasing power of farm products by large groups. In the tables which follow a similar comparison is made for certain individual articles of production and consumption by the farmer. The first table shows the comparative advance in prices of certain related commodities in 1911, compared with 1896:

*Comparative advance in prices of certain related commodities,
1911 compared with 1896.*

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	Wholesale price in 1896.	Wholesale price in 1911.	Per cent increase.
	Dollars.	Dollars.	
Cattle: Steers, choice to extra—per 100 pounds—	4.60	7.23	57.2
Cattle: Steers, good to choice—do—	4.27	6.73	57.6
Fresh beef, native sides (N. Y. market) do—	6.98	9.82	40.7
Hogs: Heavy—do—	3.36	6.75	100.9
Hogs: Light—do—	3.56	6.73	89.0
Hams, smoked—do—	9.43	13.98	48.3
Corn: Cash—per 100 bushels—	25.80	59.00	128.7
Corn meal, fine white—per 100 pounds—	81.29	129.33	59.1
Corn meal, fine yellow—do—	78.54	129.13	64.4
Wheat: Cash—per 100 bushels—	64.13	98.44	53.5
Flour, wheat, spring patents—per barrel—	3.80	5.08	33.7
Flour, wheat, winter straights—do—	3.62	3.98	9.9
Bread, loaf, homemade (New York market)—per 100 pounds—	2.82	4.00	41.8
Bread, loaf, Vienna (New York market) do—	3.19	4.13	29.5
Cotton, upland middling—do—	7.92	13.04	64.6
Bags, 2 bushel, Amoskeag—per 100 bags—	12.81	20.42	59.4
Cotton flannels, 2¾ yards to the pound—per 100 yards—	6.50	10.00	53.8
Cotton flannels, 3½ yards to the pound do—	5.50	7.63	38.7
Thread, 6-cord, 200 yard spools, J. & P. Coats—per 100 spools—	3.09	3.92	26.9
Denims, Amoskeag—per 100 yards—	9.88	13.77	39.4
Drillings, brown, Pepperell—do—	5.73	8.23	43.6
Ginghams, Amoskeag—do—	4.72	6.81	44.3
Print cloths, 64 by 64—do—	2.58	3.49	35.3
Sheetings, bleached, 10-4, Wamsutta, S. T.—do—	29.25	30.64	4.8
Shirtings, bleached, 4-4, Fruit of the Loom—do—	6.96	8.65	24.3
Tickings, Amoskeag A. C. A.—do—	10.19	13.33	30.8
Wool, Ohio, fine fleece (X and XX grade), scoured—per 100 pounds—	39.40	64.72	64.3
Wool, Ohio, medium fleece (¾ and ¾ grade), scoured—do—	31.86	44.90	40.9
Blankets (all wool) 5 pounds to the pair do—	75.00	100.00	33.3
Flannels, white, 4-4, Ballard Vale No. 3—per 100 yards—	32.17	43.00	33.7
Suitings, indigo blue, all wool, 14 ounce, Middlesex—do—	113.75	148.88	30.9
Hides: Green, salted, packers' native steers—per 100 pounds—	8.11	14.77	82.1
Leather, sole, hemlock—do—	18.81	23.75	26.3
Leather, sole, oak—do—	29.25	38.83	32.8

It will be observed that in almost every case the rise in price of the raw farm product has been very much greater than that of the prepared or manufactured article. Thus while the prices of cattle on the hoof increased about 57 per cent, the price of fresh beef increased 41 per cent; while the price of hogs increased from 89 to 100 per cent, the price of smoked hams increased 48 per cent; while the price of corn increased 129 per cent, the price of cornmeal increased 59 to 64 per cent; while the price of wheat increased 54 per cent, the price of wheat flour increased 10 to 34 per cent, and the price of bread 29 to 42 per cent; while the price of cotton increased 65 per cent, the prices of cotton thread and fabrics increased 5 to 59 per cent; while the price of wool increased 41 to 64 per cent, the prices of wool fabrics increased 31 to 34 per cent; while the price of hides increased 82 per cent, the price of sole leather increased 26 to 33 per cent.

**Market Value of Farm Products in 1896 and 1911, when
Measured by the Wholesale Prices in Staple Articles.**

The real value of the farm product to the farmer is not so much its money value, as its exchange value in the articles which he must purchase. No official retail prices other than those of certain articles of food have been published in recent years, but the United States Bureau of Labor in its Bulletin for March, 1912 (No. 99), published the wholesale prices of the staple articles in general use. From this publication the following tables have been prepared showing the value of corn, wheat, oats,

cattle, hogs, butter, etc., in 1896 and 1911 when measured by the value of other staple articles which the farmer must buy. While these figures do not represent the actual purchasing power (as all the prices are wholesale), the figures for the two years 1896 and 1911 bear practically the same relation to each other that retail prices would do.

An examination of the first table will show that the value of ten bushels of corn at current wholesale prices would have purchased at wholesale 131 pounds of galvanized wire in 1896, and 270 6/10 pounds in 1911; ten bushels of corn in 1896 would have purchased 3½ pairs of all-wool blankets (five pounds to the pair) and in 1911 ten bushels would have purchased six pairs; ten bushels of corn in 1896 would have purchased one pair of men's vici kid shoes, with 23 cents over, in 1911 two pairs of the same grade of shoes, with 67 cents over. In 1896 ten bushels of corn would have purchased 510 common domestic building brick, in 1911 1,002 brick, or about twice the number. In 1896 ten bushels of corn were equal in value to 49 9/10 pounds of carbonate of lead, while in 1911 they were equal to 83½ pounds; in 1896 equal to 6 3/10 yards of ingrain carpet, and in 1911 to 11 2/10 yards; in 1896 equal to 13/10 barrels of cement, and in 1911 to four barrels; in 1896 equal to 7/10 ton of anthracite or one ton of bituminous coal, and in 1911 to 1 2/10 tons of anthracite or two tons of bituminous coal; in 1896 equal to 20 9/10 pounds of Rio coffee, and in 1911 to 44 pounds; in 1896 equal to 46 9/10 yards of cotton flannel, and in 1911 to 77 3/10 yards, add so on down the list of articles. These values are based on the average wholesale prices.

As this table shows the comparative value of ten bushels of corn measured in specified articles of domestic requirement, so the other tables show the comparative value, each, of given quantities of wheat, oats, rye, hay, cotton, cattle, hogs, potatoes, butter and eggs, as measured in the same articles. An examination of these tables will show a startling increase, since the last Democratic administration, in the value of farm products when measured by their purchasing power of other commodities.

Value of ten bushels of corn in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	131.5	270.6
Blankets: all wool, 5 pounds to the pair.....pairs..	3½	6
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	510	1,002
Carbonate of lead: American, in oil.....pounds..	49.9	83.5
Carpets: ingrain, 2-ply, Lowell.....yards..	6.3	11.2
Cement: Portland, domestic.....barrels..	1.3	4.0
Coal: anthracite, stove.....tons..	0.7	1.2
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	1.0	2.0
Coffee: Rio No. 7.....pounds..	20.9	44.0
Cotton flannels: 3½ yards to the pound.....yards..	46.9	77.3
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	83.6	150.5
Denims: Amoskeag.....yards..	26.1	42.9
Drillings: brown Pepperell.....yards..	45.0	71.7
Ginghams: Amoskeag.....yards..	54.7	86.6
Glassware: tumblers, ½ pint, common.....dozen..	14.½	53.½
Nails: cut, 8-penny, fence and common.....pounds..	95.1	345.4
Nails: wire, 8-penny, fence and common.....pounds..	88.2	327.0
Petroleum: refined, 150° fire test, water white.....gallons..	24.8	63.8
Print cloths: 64 x 64.....yards..	100.0	169.3
Quinine: American.....ounces..	10.7	42.1
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	8.8	19.3
Sheetings: brown, 4-4, Indian Head.....yards..	41.5	67.2
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	37.1	68.2
Sugar: granulated.....pounds..	56.9	110.6
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	2.3	4.0
Tea: Formosa, fine.....pounds..	10.0	24.3
Tickings: Amoskeag A. C. A.....yards..	25.3	44.3
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	20.3	27.1

a 1 pair and 33 cents over.
b 2 pairs and 67 cents over.

c 3 pairs and 3 cents over.
d 5 pairs and 82 cents over.

Value of ten bushels of wheat in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	326.8	451.6
Blankets: all wool, 5 pounds to the pair.....pairs..	8.½	10
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	1,267	1,671
Carbonate of lead: American, in oil.....pounds..	124.0	139.2
Carpets: ingrain, 2-ply, Lowell.....yards..	15.7	18.6
Cement: Portland, domestic.....barrels..	3.2	6.7
Coal: anthracite, stove.....tons..	1.7	2.0
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	2.4	3.3
Coffee: Rio No. 7.....pounds..	52.0	73.6
Cotton flannels: 3½ yards to the pound.....yards..	116.6	129.0
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	207.7	251.1
Denims: Amoskeag.....yards..	64.9	71.5
Drillings: brown Pepperell.....yards..	111.9	119.6
Ginghams: Amoskeag.....yards..	135.9	144.6
Glassware: tumblers, ½ pint, common.....dozen..	35.½	89.½
Nails: cut, 8-penny, fence and common.....pounds..	236.4	576.2
Nails: wire, 8-penny, fence and common.....pounds..	219.3	545.6
Petroleum: refined, 150° fire test, water white.....gallons..	61.7	106.4
Print cloths: 64 x 64.....yards..	248.5	282.4
Quinine: American.....ounces..	26.7	70.3
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	21.9	32.1
Sheetings: brown, 4-4, Indian Head.....yards..	103.1	112.0
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	92.1	113.8
Sugar: granulated.....pounds..	141.5	184.6
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	5.6	6.6
Tea: Formosa, fine.....pounds..	24.8	40.7
Tickings: Amoskeag A. C. A.....yards..	62.9	73.8
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	50.5	45.1

a 2 pairs and \$1.91 over.

b 3 pairs and \$1.99 over.

c 7 pairs and 46 cents over.

d 9 pairs and 69 cents over.

Value of ten bushels of oats in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	91.8	176.6
Blankets: all wool, 5 pounds to the pair.....pairs..	2.½	4
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	356	654
Carbonate of lead: American, in oil.....pounds..	0.5	0.8
Carpets: ingrain, 2-ply, Lowell.....yards..	0.7	1.3
Cement: Portland, domestic.....barrels..	14.6	28.7
Coal: anthracite, stove.....tons..	34.8	54.5
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	4.4	7.3
Coffee: Rio No. 7.....pounds..	0.9	2.6
Cotton flannels: 3½ yards to the pound.....yards..	32.7	50.5
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	58.3	98.2
Denims: Amoskeag.....yards..	18.2	28.0
Drillings: brown Pepperell.....yards..	31.4	46.8
Ginghams: Amoskeag.....yards..	38.2	56.5
Glassware: tumblers, ½ pint, common.....dozen..	10	35
Nails: cut, 8-penny, fence and common.....pounds..	66.4	225.4
Nails: wire, 8-penny, fence and common.....pounds..	61.6	213.4
Petroleum: refined, 150° fire test, water white.....gallons..	17.3	41.6
Print cloths: 64 x 64.....yards..	69.8	110.5
Quinine: American.....ounces..	7.5	27.5
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	6.2	12.6
Sheetings: brown, 4-4, Indian Head.....yards..	29.0	43.8
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	25.9	44.5
Sugar: granulated.....pounds..	39.7	72.2
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	1.6	2.6
Tea: Formosa, fine.....pounds..	7.0	15.9
Tickings: Amoskeag A. C. A.....yards..	17.7	28.9
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	14.2	17.7

a Lacks 45 cents of price of 1 pair.

b 1 pair and \$1.23 over.

c 2 pairs and 10 cents over.

d 3 pairs and 80 cents over.

Value of ten bushels of rye (No. 2 cash) in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	179.2	413.1
Blankets: all wool, 5 pounds to the pair.....pairs..	4.½	9
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	695	1,531
Carbonate of lead: American, in oil.....pounds..	0.9	1.9
Carpets: ingrain, 2-ply, Lowell.....yards..	1.3	3.0
Cement: Portland, domestic.....barrels..	28.5	67.2
Coal: anthracite, stove.....tons..	68.0	127.5
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	8.6	17.1
Coffee: Rio No. 7.....pounds..	1.8	6.2
Cotton flannels: 3½ yards to the pound.....yards..	63.9	118.2
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	113.9	230.0
Denims: Amoskeag.....yards..	35.6	65.5
Drillings: brown Pepperell.....yards..	61.4	109.6
Ginghams: Amoskeag.....yards..	74.5	132.4
Glassware: tumblers, ½ pint, common.....dozen..	19.½	82
Nails: cut, 8-penny, fence and common.....pounds..	129.7	527.8
Nails: wire, 8-penny, fence and common.....pounds..	120.2	499.7
Petroleum: refined, 150° fire test, water white.....gallons..	33.8	97.5
Print cloths: 64 x 64.....yards..	136.3	258.7
Quinine: American.....ounces..	14.6	64.4
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	12.0	29.4
Sheetings: brown, 4-4, Indian Head.....yards..	56.5	102.6
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	50.5	104.2
Sugar: granulated.....pounds..	77.6	169.0
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	3.1	6.1
Tea: Formosa, fine.....pounds..	13.6	37.2
Tickings: Amoskeag A. C. A.....yards..	34.5	67.6
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	27.7	41.3

a 1 pair and \$1.27 over.
b 3 pairs and \$1.17 over.

c 4 pairs and 12 cents over.
d 8 pairs and 88 cents over.

Value of one ton of hay in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	526.2	902.0
Blankets: all wool, 5 pounds to the pair.....pairs..	14	19.½
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	2,040	3,338
Carbonate of lead: American, in oil.....pounds..	199.7	278.1
Carpets: ingrain, 2-ply, Lowell.....yards..	2.7	4.1
Cement: Portland, domestic.....barrels..	3.9	6.5
Coal: anthracite, stove.....tons..	83.8	146.6
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	25.3	37.2
Coffee: Rio No. 7.....pounds..	5.2	13.5
Cotton flannels: 3½ yards to the pound.....yards..	187.8	257.7
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	334.5	501.6
Denims: Amoskeag.....yards..	104.5	142.8
Drillings: brown Pepperell.....yards..	180.2	238.9
Ginghams: Amoskeag.....yards..	218.8	288.7
Glassware: tumblers, ½ pint, common.....dozen..	57.½	179
Nails: cut, 8-penny, fence and common.....pounds..	380.7	1,151.1
Nails: wire, 8-penny, fence and common.....pounds..	353.1	1,089.9
Petroleum: refined, 150° fire test, water white.....gallons..	99.4	212.6
Print cloths: 64 x 64.....yards..	400.1	564.1
Quinine: American.....ounces..	42.9	140.5
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	35.3	64.2
Sheetings: brown, 4-4, Indian Head.....yards..	166.0	223.7
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	148.4	227.3
Sugar: granulated.....pounds..	227.9	368.6
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	9.1	13.2
Tea: Formosa, fine.....pounds..	40.0	81.2
Tickings: Amoskeag A. C. A.....yards..	101.3	147.5
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	81.3	90.1

a 4 pairs and \$1.32 over.
b 7 pairs and \$1.36 over.

c 12 pairs and 13 cents over.
d 19 pairs and 35 cents over.

Value of ten bushels of potatoes in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	100.1	353.5
Blankets: all wool, 5 pounds to the pair.....pairs..	2.½	7.½
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	388	1,308
Carbonate of lead: American, in oil.....pounds..	0.5	1.6
Carpets: ingrain, 2-ply, Lowell.....yards..	0.7	2.6
Cement: Portland, domestic.....barrels..	15.9	57.5
Coal: anthracite, stove.....tons..	38.0	109.0
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	4.8	14.6
Coffee: Rio No. 7.....pounds..	1.0	5.3
Cotton flannels: 3½ yards to the pound.....yards..	35.7	101.0
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	63.7	196.6
Denims: Amoskeag.....yards..	19.9	55.9
Drillings: brown Pepperell.....yards..	34.3	93.6
Ginghams: Amoskeag.....yards..	41.6	113.2
Glassware: tumblers, ½ pint, common.....dozen..	11	70
Nails: cut, 8-penny, fence and common.....pounds..	72.4	451.1
Nails: wire, 8-penny, fence and common.....pounds..	67.2	427.1
Petroleum: refined, 150° fire test, water white.....gallons..	18.9	83.3
Print cloths: 64 x 64.....yards..	76.1	221.1
Quinine: American.....ounces..	8.2	55.0
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	6.7	25.2
Sheetings: brown, 4-4, Indian Head.....yards..	31.6	87.6
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	28.2	89.1
Sugar: granulated.....pounds..	43.4	144.4
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	1.7	5.2
Tea: Formosa, fine.....pounds..	7.6	31.8
Tickings: Amoskeag A. C. A.....yards..	19.3	57.8
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	15.5	35.3

a Lacks 29 cents of price of 1 pair.

b 2 pairs and \$2.47 over.

c 2 pairs and 27 cents over.

d 7 pairs and 59 cents over.

Value of 100 lbs. cotton (upland middling) in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds..	403.5	598.0
Blankets: all wool, 5 pounds to the pair.....pairs..	10.½	13
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs..	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs..	(c)	(d)
Brick: common domestic.....number..	1,564	2,213
Carbonate of lead: American, in oil.....pounds..	2.1	2.7
Carpets: ingrain, 2-ply, Lowell.....yards..	3.0	4.3
Cement: Portland, domestic.....barrels..	64.2	97.2
Coal: anthracite, stove.....tons..	153.2	184.4
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons..	19.4	24.7
Coffee: Rio No. 7.....pounds..	4.0	8.9
Cotton flannels: 3½ yards to the pound.....yards..	144.0	170.9
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools..	256.5	332.6
Denims: Amoskeag.....yards..	80.1	94.7
Drillings: brown Pepperell.....yards..	138.2	158.4
Ginghams: Amoskeag.....yards..	167.8	191.4
Glassware: tumblers, ½ pint, common.....dozen..	44	118.½
Nails: cut, 8-penny, fence and common.....pounds..	291.9	763.2
Nails: wire, 8-penny, fence and common.....pounds..	270.7	722.6
Petroleum: refined, 150° fire test, water white.....gallons..	76.2	140.9
Print cloths: 64 x 64.....yards..	306.8	374.0
Quinine: American.....ounces..	32.9	93.1
Sheetings: bleached, 10-4, Wamsutta S. T.....yards..	27.1	42.5
Sheetings: brown, 4-4, Indian Head.....yards..	127.3	148.3
Shirtings: bleached, 4-4, Fruit of the Loom.....yards..	113.8	150.7
Sugar: granulated.....pounds..	174.7	244.4
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards..	7.0	8.8
Tea: Formosa, fine.....pounds..	30.7	53.8
Tickings: Amoskeag A. C. A.....yards..	77.7	97.8
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards..	62.4	59.8

a 3 pairs and \$1.17 over.

b 4 pairs and \$2.57 over.

c 9 pairs and 27 cents over.

d 12 pairs and 84 cents over.

Value of cattle (steers, choice to extra) per 100 pounds in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds--	234.2	331.9
Blankets: all wool, 5 pounds to the pair.....pairs--	6	7
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs--	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs--	(c)	(d)
Brick: common domestic.....number--	908	1,228
Carbonate of lead: American, in oil.....pounds--	1.2	1.5
Carpets: ingrain, 2-ply, Lowell.....yards--	1.7	2.4
Cement: Portland, domestic.....barrels--	37.3	53.9
Coal: anthracite, stove.....tons--	88.9	102.3
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons--	11.3	13.7
Coffee: Rio No. 7.....pounds--	2.3	5.0
Cotton flannels: 3½ yards to the pound.....yards--	83.6	94.8
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools--	149	185
Denims: Amoskeag.....yards--	46.5	52.5
Drillings: brown Pepperell.....yards--	80.2	87.9
Ginghams: Amoskeag.....yards--	97.4	106.2
Glassware: tumblers, ½ pint, common.....dozen--	25.½	66
Nails: cut, 8-penny, fence and common.....pounds--	169.4	423.5
Nails: wire, 8-penny, fence and common.....pounds--	157.1	401.0
Petroleum: refined, 150° fire test, water white.....gallons--	44.2	78.2
Print cloths: 64 x 64.....yards--	178.1	207.5
Quinine: American.....ounces--	19.1	51.7
Sheetings: bleached, 10-4, Wamsutta S. T.....yards--	15.7	23.6
Sheetings: brown, 4-4, Indian Head.....yards--	73.9	82.3
Shirtings: bleached, 4-4, Fruit of the Loom.....yards--	66.0	83.6
Sugar: granulated.....pounds--	101.4	135.6
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards--	4.0	4.9
Tea: Formosa, fine.....pounds--	17.8	29.9
Tickings: Amoskeag A. C. A.....yards--	45.1	54.3
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards--	36.2	33.2

a 2 pairs and 10 cents over.

b 2 pairs and \$2.00 over.

c 5 pairs and 35 cents over.

d 7 pairs and 12 cents over.

Value of hogs (heavy) per 100 pounds in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds--	171.1	309.6
Blankets: all wool, 5 pounds to the pair.....pairs--	4.½	6.½
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs--	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs--	(c)	(d)
Brick: common domestic.....number--	663	1,146
Carbonate of lead: American, in oil.....pounds--	0.9	1.4
Carpets: ingrain, 2-ply, Lowell.....yards--	1.3	2.2
Cement: Portland, domestic.....barrels--	27.2	50.3
Coal: anthracite, stove.....tons--	64.9	95.4
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons--	8.2	12.8
Coffee: Rio No. 7.....pounds--	1.7	4.6
Cotton flannels: 3½ yards to the pound.....yards--	61.1	88.4
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools--	108.8	172.1
Denims: Amoskeag.....yards--	34.0	49.0
Drillings: brown Pepperell.....yards--	48.6	82.0
Ginghams: Amoskeag.....yards--	71.1	99.0
Glassware: tumblers, ½ pint, common.....dozen--	18.½	61.½
Nails: cut, 8-penny, fence and common.....pounds--	123.8	395.0
Nails: wire, 8-penny, fence and common.....pounds--	114.8	374.0
Petroleum: refined, 150° fire test, water white.....gallons--	32.3	72.9
Print cloths: 64 x 64.....yards--	180.1	194.2
Quinine: American.....ounces--	14.0	48.2
Sheetings: bleached, 10-4, Wamsutta S. T.....yards--	11.5	22.1
Sheetings: brown, 4-4, Indian Head.....yards--	54.0	76.8
Shirtings: bleached, 4-4, Fruit of the Loom.....yards--	48.2	78.0
Sugar: granulated.....pounds--	74.1	126.5
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards--	3.0	4.5
Tea: Formosa, fine.....pounds--	13.0	27.9
Tickings: Amoskeag A. C. A.....yards--	33.0	50.6
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards--	26.4	30.9

a 1 pair and \$1.11 over.

b 2 pairs and \$1.51 over.

c 3 pairs and 81 cents over.

d 6 pairs and 65 cents over.

Value of 20 pounds of butter (dairy, New York State) in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds.....	169.7	236.0
Blankets: all wool, 5 pounds to the pair.....pairs.....	4.½	5.1
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs.....	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs.....	(c)	(d)
Brick: common domestic.....number.....	658	873
Carbonate of lead: American, in oil.....pounds.....	0.9	1.1
Carpets: ingrain, 2-ply, Lowell.....yards.....	1.3	1.7
Cement: Portland, domestic.....barrels.....	27.0	38.4
Coal: anthracite, stove.....tons.....	64.4	72.8
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons.....	8.2	9.7
Coffee: Rio No. 7.....pounds.....	1.7	3.5
Cotton flannels: 3½ yards to the pound.....yards.....	60.5	67.4
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools.....	107.9	131.2
Denims: Amoskeag.....yards.....	33.7	37.4
Drillings: brown Pepperell.....yards.....	58.1	62.5
Ginghams: Amoskeag.....yards.....	70.6	75.5
Glassware: tumblers, ½ pint, common.....dozen.....	18.½	46.8
Nails: cut, 8-penny, fence and common.....pounds.....	122.8	301.1
Nails: wire, 8-penny, fence and common.....pounds.....	113.8	290.7
Petroleum: refined, 150° fire test, water white.....gallons.....	32.1	55.6
Print cloths: 64 x 64.....yards.....	129.0	147.6
Quinine: American.....ounces.....	13.8	36.7
Sheetings: bleached, 10-4, Wamsutta S. T.....yards.....	11.4	16.8
Sheetings: brown, 4-4, Indian Head.....yards.....	53.5	58.5
Shirtings: bleached, 4-4, Fruit of the Loom.....yards.....	47.8	59.5
Sugar: granulated.....pounds.....	73.5	96.4
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards.....	2.9	3.5
Tea: Formosa, fine.....pounds.....	12.9	21.2
Tickings: Amoskeag A. C. A.....yards.....	32.7	38.6
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards.....	26.2	23.6

a 1 pair and \$1.08 over.

b 1 pair and \$2.53 over.

c 3 pairs and 78 cents over.

d 5 pairs and 6 cents over.

Value of ten dozen eggs in 1896 and 1911 when measured by the wholesale prices of the following staple articles.

[Compiled from Bulletin No. 99, United States Bureau of Labor.]

Articles.	1896.	1911.
Barb wire: galvanized.....pounds.....	88.7	136.6
Blankets: all wool, 5 pounds to the pair.....pairs.....	2.½	3
Boots and shoes: men's vici kid shoes, Goodyear welt.....pairs.....	(a)	(b)
Boots and shoes: women's solid grain shoes.....pairs.....	(c)	(d)
Brick: common domestic.....number.....	344	505
Carbonate of lead: American, in oil.....pounds.....	0.5	0.6
Carpets: ingrain, 2-ply, Lowell.....yards.....	0.7	1.0
Cement: Portland, domestic.....barrels.....	14.1	22.2
Coal: anthracite, stove.....tons.....	33.7	42.1
Coal: bituminous, Georges Creek (f. o. b.), New York Harbor.....tons.....	4.3	5.6
Coffee: Rio No. 7.....pounds.....	0.9	2.0
Cotton flannels: 3½ yards to the pound.....yards.....	31.7	39.0
Cotton thread: 6-cord, 200-yard spools, J. & P. Coats.....200-yard spools.....	56.4	75.9
Denims: Amoskeag.....yards.....	17.6	21.6
Drillings: brown Pepperell.....yards.....	30.4	36.2
Ginghams: Amoskeag.....yards.....	36.9	43.7
Glassware: tumblers, ½ pint, common.....dozen.....	9.½	27
Nails: cut, 8-penny, fence and common.....pounds.....	64.2	174.3
Nails: wire, 8-penny, fence and common.....pounds.....	59.5	165.0
Petroleum: refined, 150° fire test, water white.....gallons.....	16.8	32.2
Print cloths: 64 x 64.....yards.....	67.5	85.4
Quinine: American.....ounces.....	7.2	21.3
Sheetings: bleached, 10-4, Wamsutta S. T.....yards.....	6.0	9.7
Sheetings: brown, 4-4, Indian Head.....yards.....	28.0	34.0
Shirtings: bleached, 4-4, Fruit of the Loom.....yards.....	25.0	34.4
Sugar: granulated.....pounds.....	38.4	55.8
Suitings: indigo blue, all wool, 14-ounce, Middlesex.....yards.....	1.5	2.0
Tea: Formosa, fine.....pounds.....	6.7	12.3
Tickings: Amoskeag A. C. A.....yards.....	17.1	22.8
Women's dress goods: cashmere, cotton warp, Atlantic Mills F.....yards.....	13.7	13.6

a Lacks 51 cents of price of 1 pair.

b 1 pair and 36 cents over.

c 2 pairs and 4 cents over.

d 2 pairs and 94 cents over.

REGULATION OF CORPORATIONS UNDER PRESIDENT TAFT.

The foremost issue of recent years and especially the last three years has been the control of corporate business for the public welfare. The nation desires a business machinery of high efficiency, serving the interests of the public, and returning ample reward to those who use that machinery ably and honestly.

The policy of the Republican Party has been to promote business efficiency, business prosperity, and so to control business forces that such efficiency and prosperity shall rest on the permanent basis of honesty, publicity and fair dealing.

The policy of the party has recognized that corporations are the accepted and necessary form of doing large business. Our vast enterprises cannot be carried on under the old partnership or individual methods. The corporation, however, is the artificial creature of statute, and the public is accordingly responsible for corporate conduct, and has full power to regulate it. Proper control of corporate business has therefore been the object of that policy. Federal action has become a necessity, because our great corporate businesses have been practically nationalized by the men controlling them. Most of the large concerns that affect the interest of the public are combinations which have been deliberately organized to cover wide sections of the country and many States.

The concentration of business forces in great combinations has placed enormous power in the hands of a few men, with little or no responsibility for its proper use. These powers have been in some instances abused, in unfair competition, in special privilege, in forcible monopolization of the avenues of trade and the natural resources.

The object of the Government is to preserve the good in our present business organization, its efficiency, its economies, and to prevent and destroy its evils. Business efficiency is necessary for the common welfare: a high degree of organization is necessary for efficiency; but such efficiency must promote first the welfare of the ordinary citizen, and such business organization must be based on that fair dealing and equal opportunity that are a part of the great ideal on which this nation was founded. The increasing control of the Interstate Commerce Commission over railways has enforced fair dealing and equal opportunity. The Federal Corporation Income Tax has laid the foundation for a higher degree of corporate regulation. The Bureau of Corporations has increasingly enforced efficient publicity of corporate affairs, and brought the force of intelligent public opinion to bear on business abuses, and the Department of Justice has sought to enforce existing law.

The result has been a great advance in the solution of a great issue. No single act or statute can settle it at a stroke. The process must be slow, if it is to be effective, but existing law, based, as it is believed, on principles of justice, is being enforced. Intelligent and far-seeing action has been necessary to destroy abuses, and to protect more fully honest efficiency, while laying plainly before the American people the real facts upon which public opinion must gradually be formed.

BUREAU OF CORPORATIONS.

The Bureau of Corporations, ever since its creation, has urged a broad Federal system of corporate publicity, which shall give the public plainly the essential facts of our great businesses. With a trained staff, the Bureau has collected complete informa-

tion about certain selected corporations or industries; has stated plainly the meaning thereof, and published it in reports. The foremost thing in each report has been a brief summary of about five printed pages, which gives the important facts and conclusions, framed particularly for the public press. The essential facts of certain great businesses have thus been laid clearly before the entire body of citizens. Following are some of the results of this "efficient publicity."

OUTLINE OF WORK PERFORMED.

In 1906 the Bureau published a report describing a great system of railway discriminations enjoyed by the Standard Oil Company. Within six months thereafter, the railroads concerned canceled every rate which the report condemned as illegal, as well as many others criticised as inequitable.

Further reports published in 1907 described the Standard Oil Company, its investment, earnings, and profits. Many independent oil concerns testified that these publications caused a substantial improvement in the conduct of the petroleum business. In 1909 Congress practically repealed the retaliatory duty which had prevented imports of petroleum from the most important foreign producing fields, and these reports were also largely used in connection with that action.

In 1908 and 1909 the Bureau published three reports on the cotton exchanges. The New Orleans Cotton Exchange at once entered into cooperation with the Bureau, and voluntarily adopted certain important improvements in methods.

The Bureau has also reported on the Tobacco Combination (the American Tobacco Company). The beneficial results were at once apparent. The Tobacco Combination promptly abandoned the use of the secret subsidiary concerns exposed by this report and formerly employed against independents. Many independent manufacturers stated that this work had caused the cessation of various objectionable methods of competition.

In 1912 a report on Water-Power Development was published. It showed the strong tendency toward concentrated control of great water powers, and attracted wide public attention to the subject. Several States have made specific use of the information in their local water-power legislation.

Three reports on the taxation of corporations by the States have been published. They have been widely used by public officials, and one State largely revised its entire tax system in accordance therewith.

The Bureau has published three reports on Transportation by Water in the United States. They set forth existing waterway conditions, with criticisms and suggestions thereon. In the present active interest in waterways, these reports have been very generally used, and have had a wide effect on public opinion.

A report was also made on the standing timber of the country, which showed the concentration of a dominating control of our standing timber in a comparatively few vast holdings, and the unfortunate effect that our long-standing public land policy has had in producing such concentration.

One report on the Steel Industry set forth the organization, investment, profits, and position of the United States Steel Corporation. Another report gave the costs of production of steel. Within a few months after the issuance of the first report, the Corporation announced its intention to cancel the so-called Hill ore lease, and also reduced by about 25 per cent the ore rates on its northern ore railroads, both of which were criticised in the report. The second report on costs was largely used in congressional debate on revision of the tariff.

THE RESULT.

Such have been the practical results of "efficient publicity," even within the narrow range which the Bureau has been able to cover. Oppressive methods of competition have been reduced over wide areas; greater equality of opportunity is being

afforded; corporate interests have become accustomed to a publicity which they would have regarded as revolutionary a decade ago. Many of them are, in fact, cooperating by voluntarily furnishing much of the information obtained by the Bureau. The public has been enlightened on many fundamental points of finance and business which otherwise came to the ordinary citizen only in fragmentary and confused form; the President and Congress have been given reliable facts bearing on economic questions of public concern. Finally, the effectiveness of simple publicity and the resulting public condemnation of business abuses has been proved.

WORK OF THE DEPARTMENT OF JUSTICE IN REGULATION OF CORPORATIONS.

Under the President's direction, and through the efforts of his Attorney General, prosecutions have been had against those combinations handling the actual necessities of life in a manner deemed to be in violation of law and subversive of public interests. Foremost among these were the American Sugar Refining Company, the Imperial Window Glass Company, the National Packing Company, the Armour Packing Company, the General Electric Company, the Trans-Atlantic Steamship Pool, the Eastern States Retail Lumber Dealers' Association, the United States Steel Corporation, and many others, the business of each of which involved the interests of the average citizen.

This extraordinary work of the Department has been carried on in harmony with the President's general scheme of economical administration. The Department has been more than self-supporting, for the Treasury has been reimbursed in an amount far in excess of the aggregate of all expenditures on account of the Department of Justice.

The total expenses of the Department during the year ending June 30, 1911, including the offices of the Attorney General, all of the district attorneys and the assistants, and special assistants of those officials, amounted to \$3,223,773.89. There were actually collected and paid into the Treasury of the United States, as the result of suits brought or compromises effected by the Department, the sum of \$3,467,095.39. To this might be added the sum of \$737,020.12, which was collected during this period by the Solicitor of the Treasury in compromises of claims in suit, making an aggregate in all of \$4,204,115.51, received and collected through the agency of the Department of Justice.

To enumerate in detail the accomplishments of the Department during the three years of President Taft's Administration is not practicable or necessary in this work—the statements which follow are intended merely to present in as concise terms as possible the more important features of the work performed in the interest of justice and on behalf of the people.

THE SHERMAN ANTITRUST LAW.

What is known as the Sherman Antitrust Act, was approved July 2, 1890, but soon after its enactment there was a decision of the Supreme Court of the United States which, being either misunderstood or improperly expressed, effected to discourage those who were interested in employing the Federal power to restrain and dissolve industrial monopolies.

JUDGE TAFT'S INITIAL ANTITRUST DECISION.

On February 8, 1898, Circuit Judge William H. Taft, sitting with Circuit Justice Harlan and Circuit Judge Lurton in the Sixth Circuit, handed down a decision in the case of *United States vs. Addyston Pipe and Steel Company*, which has proven to be the cornerstone of all other successes by the United States in the prosecution of violators of the Sherman Antitrust law. The Supreme Court of the United States, in subsequently passing on the case, affirmed the opinion handed down by Judge

Taft, adopted his reasoning and quoted copiously from his opinion, so that to his exhaustive treatment of this subject and his resultant conclusions is largely attributable the more recent results of antitrust prosecutions which have settled beyond peradventure of a doubt the extensive power of Congress in enacting statutes under the interstate commerce clause of the Constitution of the United States.

PROSECUTIONS NOT INIMICAL TO LEGITIMATE BIG BUSINESS.

The recent decisions favorable to the Government in the prosecution of the Standard Oil Company and the American Tobacco Company have fully demonstrated the effectiveness of the law to accomplish the purposes for which it was enacted, without at the same time precluding a proper combination of capital and coalescence of interest when such action is not taken for the purpose of entirely eliminating competition, or unreasonably restricting it, but rather results to the advantage of the consumer because it makes possible a more advantageous conduct of a business of such magnitude that the combined efforts of several persons are obviously necessary.

CRIMINAL FEATURE OF SHERMAN ACT.

In the case of *United States vs. Kissell*, decided December, 1910, the Supreme Court announced an important construction of the Sherman Act as a criminal statute. In that case the defendants, who were indicted for conspiring to restrain interstate commerce in violation of the first section of the Sherman Act, interposed a bill in bar showing that the conspiracy had been originally entered into more than three years prior to the finding of the indictment, and any action thereon was consequently barred by limitation. The Circuit Court in New York sustained the plea, although the indictment charged a continuing conspiracy to eliminate competition, and on appeal the Supreme Court overruled the circuit court, holding that—

"A conspiracy to restrain or monopolize trade by improperly excluding a competitor from business contemplates that the conspirators will remain in business and will continue their combined efforts to drive the competitor out until they succeed. If they do continue such efforts in pursuance of the plan, the conspiracy continues up to the time of abandonment or success."

CONTRACTS RESTRAINING SUB-PURCHASER VIOLATE SHERMAN ACT.

In the case of *Dr. Miles Medical Company vs. John D. Park & Sons Company*, decided at the December, 1910, term, the Supreme Court held to be void, because constituting an unlawful restraint of interstate commerce under the Sherman Act, a set of contracts between the manufacturer of proprietary medicines prepared pursuant to a secret formula, and purchasers therefrom, devised to control, not merely the prices at which the agents of the vendor might sell its products, but the prices of all sales by dealers at wholesale or retail, whether purchasers or subpurchasers from the manufacturer, thus fixing the amount which the consumer should pay, and eliminating all competition in the articles.

The Two Leading Cases.

The cases of the Standard Oil and Tobacco combinations, which were by far the most important yet involved in trust combinations, received the personal attention of the Attorney General, who argued both cases before the Supreme Court in January, 1911. The decisions were by a unanimous court, but Justice Harlan dissented from a portion of the reasoning announced by the Chief Justice in the principal opinion in each case.

A REASONABLE CONSTRUCTION.

The court in these decisions adopted an interpretation of the act which did not bring every agreement in restraint of com-

petition within its condemnation, and held that a reasonable construction must be given to its language, and that not every incidental or immaterial restraint of competition was such a restraint of trade as was intended to be inhibited by the Sherman Act, but that a contract, combination, or conspiracy, in order to fall within the law, must impose a direct and undue restraint upon commerce between the States or with foreign countries. The application of this decision manifestly answers the argument of those critics who maintain that the administration's prosecution of the trusts is, after all, inimical to the larger properly conducted business interests of the country.

STANDARD OIL DISSOLUTION.

In the Standard Oil case the Supreme Court affirmed the decree of the circuit court, which, in effect, required the Standard Oil Company of New Jersey to distribute *pro rata* among its shareholders the stocks of thirty-seven other corporations held by it. Each of these thirty-seven corporations in turn held all, or a majority, of the stocks of a number of other corporations engaged in the same or similar business. The court enjoined the thirty-eight corporations and the individual defendants from, in the future, doing a certain character of enumerated acts which, in the past, had resulted in the creation of monopoly.

STANDARD OIL AND TOBACCO CASES DIFFERENTIATED.

In the Tobacco case a far more intricate problem was presented. Conveyances, consolidations and mergers, and the dissolution of previously existing corporations whose stock and properties had been acquired, had so blended the whole combination into new form as to make it impossible to effect a dissolution by the same method applicable to the Standard Oil case. In view of the unusual circumstances attendant upon the dissolution of the Tobacco trust, the Supreme Court remitted the case to the circuit court with directions to endeavor to ascertain and determine upon some plan or method of dissolving the combination and of re-creating conditions honestly in harmony with law.

The duty thus devolved upon the circuit court was unprecedented, and the judges, therefore, approached the subject by calling the counsel for the respective parties into preliminary conferences for the purpose of determining, if possible, upon the basis or principles on which a plan of disintegration of the combination might be worked out. As a result of these conferences, in which the Attorney General and his assistants participated, a plan was proposed by the defendants, was formally submitted to the circuit court, and after appropriate discussions was approved by the court, with certain modifications, by the unanimous decree of four circuit judges, which was entered November 16, 1911.

TOBACCO TRUST DISSOLVED.

By the terms of this plan, the business of the Tobacco Trust in its various branches is distributed among fourteen separate and distinct corporations, no one of which will acquire substantially more than one-third of the business of the country in any particular line on which it has to deal. The decree of the court perpetually enjoins all the distributee corporations (including any new ones that may be formed), as well as the individual defendants, from such conduct in the future as in the past resulted in the unlawful conditions condemned by the Supreme Court. It also specifically enjoins the conveyance of property by any one of the fourteen companies to another; the adoption of a voting trust or other similar method of stock control; the making of agreements as to price, terms of purchase, or of sale of leaf tobacco, or tobacco or other products dealt in by the companies, or the apportionment of business among the fourteen corporations respecting localities. It enjoins the employment by any

one of the distributee companies of the same business organization as that of any other, or the occupation of the same offices. It practically enjoins every one of the distributee companies from holding stock in any corporation a part of whose stock is held by any other of such companies. It enjoins every one of the distributee companies from doing business except in its own name or that of a subsidiary company, and where business is done in the name of a subsidiary, it directs that the product must also bear the name of the controlling company. It was regarded as the proper concern of the Attorney General to see to it that, in the new conditions to be formed, no one company should have such a large amount of the business of the country, in any particular line dealt in, as to threaten or accomplish monopoly, but not to compel such a dissolution as would result in a receivership and complete disintegration. The plan which was approved by the circuit court will accomplish the objects of the law; and the various injunctive provisions embodied in the decree of the circuit court will effectively operate to prevent a recurrence in the future of those agreements and conditions which in the past have been found essential to the creation and maintenance of monopolistic conditions.

Trust Prosecutions.

In less than three years of the present administration (to March 1, 1912) 22 civil suits have been brought and 45 criminal indictments found under the Sherman law, making in all 67 proceedings, civil and criminal. Demurrers were sustained to four indictments, pleas of *nolo contendere* entertained to 11 indictments, involving more than 80 defendants. In one case defendant plead guilty. Eight out of 12 defendants were convicted on one indictment after trial by jury, and their conviction affirmed by the Court of Appeals, and fifteen criminal prosecutions are pending. In the civil suits, judgment was rendered for the Government in *one*, and in *three* the defendants have submitted voluntarily to comprehensive decrees granting the relief sought by the Government; *two* were dismissed, and sixteen are now pending.

EFFICIENCY OF THE SHERMAN LAW FULLY PROVEN.

Investigations by the Department have resulted in discovering the existence of many forms of combinations to control and restrain commerce among the States and with foreign nations, which completely justify the wisdom of the framers of the Sherman law in dealing with the subject in such broad, comprehensive language that no form of device, which results in unduly restraining the current of trade and commerce among the States, or with foreign nations, or in the unfair monopolization of such commerce in any line, or in the attainment of power to control a vast proportion of any business at will, and to destroy or permit competition as it may seem to the interests of the possessor of that power, can escape the condemnation of the statute. The decrees and convictions which have been secured against violators of the Sherman Antitrust Act are positive proof of the efficacy of the statute in its present form, and tend to show that the remedy for the lack of enforcement of the statute did not lie in its repeal or modification as advocated in some quarters, but only required vigorous and fearless action by an earnest executive. (For a more detailed discussion of this subject see President Taft's speech of acceptance, occupying the opening pages of this volume.)

THE SUGAR CASES.

A brief review of the nature of the cases brought under the statute during the present administration will best illustrate the value to the whole people of the existence of the statute and the necessity for its enforcement in the protection of that equality of opportunity which is declared by the platform of the Re-

publican Party to be the right of every American. The first proceeding brought was an indictment against some of the officers and agents of the American Sugar Refining Company for conspiring to secure control of the stock of a Pennsylvania corporation, which was about to engage in the manufacture of sugar on a large scale, and which, by reason of this conspiracy, was prevented from so doing. In the same class with this case should be included the suits brought against the American Sugar Refining Company and its subsidiary companies, and that against the United States Steel Corporation and its subsidiary companies.

COMBINATIONS ON FOOD STUFFS.

Following this, attention was given to certain agreements between producers of foodstuffs fixing prices and dividing business among themselves in agreed proportions, thus destroying all competition between them. Among these were agreements involved in the suit against the Southern Wholesale Grocers' Association, in which the defendants voluntarily submitted to a decree enjoining them from entering into, and carrying out, agreements not to sell to any buyer not a member of the Southern Wholesale Grocers' Association, the purpose of which agreements was the preventing of retail dealers from purchasing the goods in which they dealt directly from the manufacturers, and compelling them to buy from the middleman or jobber. Such agreements were common among the wholesale grocers, lumber dealers and others. There is now pending a series of five proceedings against various associations of lumber dealers instituted for the purpose of relieving that industry from the artificial restraints imposed upon it by the various lumber trade associations throughout the country. There have also been proceedings against a number of ordinary crude pooling arrangements of the kind that were formerly very prevalent in this country.

THE WIRE POOLS.

Nine indictments found in New York against eighty-three persons engaged in the wire industry were based upon agreements between substantially all of the manufacturers in the country of certain kinds of wire, whereby they organized themselves into associations, pooled their business and divided it on an agreed percentage basis. The operations of these pools continued until a very recent date, and the grand jury in New York found no difficulty in indicting the various defendants who engaged in them. Nearly all have interposed pleas of *nolo contendere*, and have been fined in amounts averaging \$1,000 each, except that the defendant who was the supervisor of the pool was fined \$45,000.

THE WINDOW GLASS COMBINATION.

One of the most notable cases of combination in restraint of trade presented was that of the manufacturers of hand-blown window glass. Practically all of the manufacturers (eighty-three in number, manufacturing 98 per cent of this product) entered into contracts with the company constituted for the purpose, whereby each producer agreed to sell his entire output of hand-blown glass to this company and not to sell to any other person or corporation, by means of which the entire market of that commodity was controlled and the price was increased within a year approximately 100 per cent. The violators were indicted, entered pleas of *nolo contendere*, which were accepted by the court and fines imposed, since which the agreements have been abandoned, the business restored to its former basis and a substantial reduction in the price of the commodity effected.

PATENTS EMPLOYED IN RESTRAINT.

In the case of *United States vs. General Electric Company and others*, involving the practice of employing the rights of a patentee over a patented article as a basis for controlling the

entire business with which the patented article may be connected, the defendant submitted to a decree terminating certain agreements, under which this business had been controlled. This decree establishes a precedent of great value in restraining attempts to use patent rights as a means of unduly extending control over an industry. This was the initial corporation of magnitude to respond to the Government's suit by a candid effort to comply with its demands.

BATH TUB TRUST, PATENTS. CIVIL AND CRIMINAL VIOLATIONS.

The suit against the Standard Sanitary Manufacturing Company (the so-called Bath Tub Trust), which resulted in a decree in favor of the Government by the Circuit Court in the Fourth Circuit, in October, 1911, was based upon agreements between the defendants, under which certain patents were assigned to an agreed transferee, the defendants having previously agreed upon a system of licenses whereby each should receive from such transferee a license to manufacture under these patents upon terms and conditions by which all competition between the defendants in enameled ware, used in household bath rooms (amounting to about 85 per cent of the entire product) was suppressed and eliminated and uniform prices and terms of sale fixed and established. The decree rendered by the circuit court sustains the Government's contentions, and the opinion of Judge Rose is the most important judicial expression thus far secured from any court on the subject of restraint of trade in patented articles. The defendants in this civil suit were also indicted in the United States Court in the Eastern District of Michigan for the offense which formed the basis of the civil suit, and this criminal proceeding is now pending.

PATENTS AND COLLATERAL CONTRACTS IN RESTRAINT.

Another case involving the unlawful extension of the power of patentees is the case of the *United Shoe Machinery Company*. A number of the officers of this concern have been indicted for violation of the Sherman law, and this was followed by the filing of a petition in equity on the civil side of the court, which suit is now pending. The case involves the validity of a complicated series of agreements known as "tying agreements," under which the company requires any shoe manufacturer who desires to use any machine or implement manufactured by it, and useful in connection with shoemaking, to lease it under leases containing restrictive provisions binding for the full term of seventeen years from the date of the agreement, irrespective of the date of the expiration of the patent, and under which the lessee further agrees to use the machine or device so leased only in connection with other machinery manufactured and leased by the United Company in every case where that company manufactures the machine. The legality of these provisions is involved in the civil suit, while the legality of the monopoly secured by the use of such agreements, as well as of the other acts set forth in the indictment, is involved in the criminal prosecution.

UNWARRANTED INCREASE IN TRANSPORTATION RATES.

In May, 1910, the Government brought suit to restrain the trunk lines of railroads in the western classification territory from putting into effect increased tariffs upon a very large number of commodities on the eve of the enactment by Congress of legislation vesting the Interstate Commerce Commission with power to investigate a proposed increase in rates before it took effect, so that the people should be compelled to pay increased rates of freight for transportation, pending an inquiry as to the reasonableness and justness of the proposed increase. The circumstances under which this particular increase was agreed upon by the railroad companies in the opinion of the law officers of the Government took it out of the ordinary system of rate making, and justified a resort

to the Sherman law to protect the public from the arbitrary action of the carriers, which, if unchecked, would have compelled the people to pay increased rates during the period they were under investigation. After the enactment of the Commerce Act of June 25, 1910, which extended the power of the Interstate Commerce Commission over the subject, the bill was dismissed by the Government, and subsequent investigation by the Interstate Commerce Commission resulted in the finding by it that the proposed increase was unwarranted and should not be made, thus completely justifying the action of the Government in intervening when and as it did.

COMBINATIONS BY FOREIGN STEAMSHIP COMPANIES.

The civil suit brought against the Hamburg-American Steamship Company and others, in New York, involves the question whether or not the United States is powerless in the face of a combination of virtually all the trans-Atlantic steamship lines authorized by the law of the European countries where most of them are domiciled, whereby substantially the entire business of transportation by steam vessel across the North Atlantic is pooled, rates and prices are fixed by the pooling association, and all competition in rates and terms of shipment suppressed. In this case it is contended by some of the representatives of foreign lines that while American agents might be individually punishable under the Sherman Act, its efficacy does not extend to European associations valid where organized. It is obvious that unusual difficulties attend the prosecution of this case, but the Supreme Court held in the Tobacco case that, if necessary, unusual remedies would be invoked to carry into effect the provisions of the Sherman law, and it is confidently expected that if the Government shall establish on the trial of this case on its merits the facts averred in the petition, which the circuit court has already held were sufficient to make out a *prima facie* case of unlawful restraint of foreign commerce, a means will be found to enforce a proper respect for the law of this country even by the owners of foreign steamship companies who use its ports.

The Efficacy and Justness of the Sherman Act.

By those whose violations have made necessary the invocation of the strong arm of the law, the statement is made that the enforcement of the Sherman Act, now that it is admitted that it is effectively enforceable, is to obstruct business progress, restore antiquated methods of destructive competition between small concerns and to make possible those useful combinations of capital and the reduction of the cost of production that are essential to continued prosperity and normal growth. These allegations appear to be fully answered in what has been hereinbefore set forth, but the language of President Taft in his message to Congress on December 5, 1911, depicts the situation in unmistakable simplicity. He said:

"But now that the Anti-trust Act is seen to be effective for the accomplishment of the purpose of its enactment, we are met by a cry from many different quarters for its repeal. It is said to be obstructive of business progress, to be an attempt to restore old-fashioned methods of destructive competition between small units, and to make impossible those useful combinations of capital and the reduction of the cost of production that are essential to continued prosperity and normal growth.

"In the recent decisions the Supreme Court makes clear that there is nothing in the statute which condemns combinations of capital or mere bigness of plant organization to secure economy in production and a reduction of its cost. It is only when the purpose or necessary effect of the organization and maintenance of the combination or the aggregation of immense size are the stifling of competition, actual and potential, and the enhancing of prices and establishing a monopoly, that the statute is violated. Mere size is no sin against the law. The merging of two or more business plants necessarily eliminates competition between the units thus combined, but this elimination is in contravention of the statute only when the combination is made for purpose of ending this particular competition in order to secure control of, and enhance, prices and create a monopoly."

Recapitulation and Statement of Cases.

At the beginning of the administration of President Taft, there were approximately 16 cases pending under the Sherman Anti-trust Act, nearly all of which have been terminated in favor of the Government. The cases against the Reading Railroad Company et al., and the Union Pacific Railroad Company et al., have been argued in the Supreme Court, and the case against the American Naval Stores Company et al. is now pending.

There were instituted during the seven and one-half years preceding the present administration a total of 44 cases, while during the three years just completed of the Taft administration there were instituted a total of 67 cases, which, with the 16 cases pending when the administration came in, makes a total of 83 cases handled by the present administration. From the date of the passage of the act to March 4, 1909, the number of cases instituted aggregated but 62—twenty-one less than have been handled during three years of the Taft administration.

Summary of Cases Under Anti-trust Laws.

President Harrison's Administration.

Four bills in equity.

Three indictments.

President Cleveland's Administration.

Four bills in equity.

Two indictments.

Two informations for contempt.

President McKinley's Administration.

Three bills in equity.

President Roosevelt's Administration.

Eighteen bills in equity.

Twenty-five indictments.

One forfeiture proceeding.

First three years of President's Taft's Administration.

Twenty-two bills in equity.

Forty-five indictments.

This statement would be materially augmented by the addition of those cases in which negotiations are being conducted between the combinations and the Department of Justice, with a view to arriving at a basis upon which the offending corporation may consent to a voluntary decree in accordance with the construction placed by the Supreme Court upon the Sherman law.

Interstate Commerce.

Beginning with the present administration, there were 102 criminal actions pending brought under the interstate commerce law, and 158 new cases were instituted within the following two years. Of this total number there were 183 cases terminated during that period, 113 convictions being secured, with five acquittals, the other 65 being dismissed or discontinued. Fines amounting to \$232,985.45 were collected.

During the last two years previous to the administration of President Taft, there were 77 convictions secured and six acquittals.

SAFETY APPLIANCE ACT.

Since the 4th of March, 1909, there were instituted 940 cases. During the last fiscal year 170 cases, involving 410 counts, were transmitted to the United States Attorneys for prosecution under this act. During this period penalties to the extent of \$35,200 were assessed, and costs to the extent of \$3,594.90 were taxed, and the total amount of \$38,794.90 actually paid into the Treasury.

HOURS OF SERVICE ACT.

During the present administration 1,555 cases have been instituted under this act, and of these, 63 cases, involving 1.163 counts, were transmitted to the United States Attorneys during the last fiscal year. Penalties and costs, amounting to \$8,009.22, were collected.

ASH PAN ACT.

Forty suits for violation of this act have been instituted during the present administration, and of these 16 were reported for prosecution during the last fiscal year, involving 23 counts. One thousand seven hundred and thirty-four dollars and fifty-seven cents in penalties and costs were collected during the fiscal year.

TWENTY-EIGHT HOUR LAW.

During the last fiscal year the Department of Agriculture reported 598 instances of apparent violations of the 28-hour law, which were transmitted to the United States Attorneys for prosecution. This is an increase of 160 cases over the number reported in 1910. On June 30, 1911, there were 807 cases pending in the various districts. Penalties were assessed in 254 cases during the year, and 66 cases were dismissed. Penalties and costs in the sum of \$31,858.85 were collected.

REBATES AND UNLAWFUL DISCRIMINATIONS.

Forty-six prosecutions for illegal discriminations and rebates, under the Hepburn Act and Elkins Act, were instituted during the last fiscal year. These cases, together with prosecutions for violation of the safety appliance and hours of service acts, have been dealt with in conferences with attorneys for the Interstate Commerce Commission, as such proceedings are usually initiated by that body, although under the control and supervision of the Department of Justice.

RAILWAY REGULATION.**Work of the Interstate Commerce Commission.**

The railways of the country are the main highways of commerce. Their ability to transport traffic measures the profitable production of this vast country. Next to personal liberty and security the right to use these highways on equal terms is the most primary and fundamental right which the individual can possess. Upon this depends his ability to engage successfully in any undertaking requiring the interchange of commodities. The marvelous growth of our railways, their incomparable utility, the indispensable service they perform, the vast capital they represent, and the enormous amount of labor they employ, all require their subjection to adequate public control.

History of Legislation to Control Railways in the United States.

The first serious attempt at Federal railway control was the passage in 1887 of the act to regulate commerce, commonly known as the Interstate Commerce Law. The administration of this law was committed to a Commission of five members, of whom not more than three should belong to the same political party. The number was increased in 1906 to seven members, with the requirement that not more than four should be of the same political party. The Commission was intended to be, and in fact has always been, strictly nonpartisan.

Under the original law and its various amendments the Commission exercised such authority as was conferred upon it by the Congress, and the results were in the main highly satisfactory. The original law did not remedy all existing evils

but it did bring great relief. The publicity secured in respect of rates, contracts, and practices was alone sufficient to wipe out many of the worst existing transportation abuses, and the cases decided by the courts furnished the legal groundwork for a more perfect superstructure. Far from producing the disastrous results said to be inherent in Government regulation, the best interests of both railroads and shippers were subserved. Between 1887 and 1910 the railroad mileage of the country increased by about 102,500 miles, about four times the distance around the earth; and their operation, facilities and equipment have been augmented in a marvelous manner, while the prosperity and wealth of the country has challenged the admiration of the world.

The exercise of governmental authority does not often reach perfection with the first enactment, but necessarily must develop with experience. The original act was found defective not in its promulgation of fundamental rights and duties so much as in the means provided for its enforcement, and the experience of the Commission brought to light abuses and methods of circumventing the law which were not contemplated or even known at the time of its passage. When tested in the courts it was found, for instance, that although it was unlawful to charge an unreasonable or discriminatory rate, and the Commission could award damages for such a charge, it was without authority to require the reduction of the rate for the future. It was also found that discriminations could still be practiced in the collateral services rendered by carriers, such as icing, refrigeration, elevation, storage and switching charges. By becoming a purchaser and shipper over its own line, a not infrequent occurrence in the case of staple commodities such as grain, coal, and lumber, a railroad going beyond its function as a carrier could enter into destructive competition with private enterprise, a practice tending to give the carriers a monopoly in the purchase and sale as well as in the transportation of the commodities in which they might choose to become dealers. These defects in the original act and the abuses and evils arising out of them have been successfully corrected by the so-called Hepburn Act; important new powers have also been given to the Commission and other far-reaching amendments made in the law by the recent Mann-Elkins Act.

The Hepburn Act.

This act, passed by a Republican Congress and approved by a Republican President on June 29, 1906, was most emphatically the announcement in the law of the land of the doctrine not only of the greatest good to the greatest number, but of absolute and complete justice to all. Justice may be attained in two ways—by prevention and by prosecution. Any law designed to benefit the public at large must look to prevention rather than prosecution, and although the Hepburn law provides penalties sufficient to act both as a deterrent and a punishment, its purpose is to provide for the prevention of abuses rather than their punishment after discovery. Damages will seldom compensate a man whose business has been destroyed by rebates allowed to a competitor. His safety lies in the absolute prohibition of those rebates. With these prefatory remarks in mind, the leading provisions of the Hepburn law may be briefly summarized as follows:

1. It amended the Elkins law so as to restore the imprisonment penalty for rebating; it made the receiver of the rebate equally guilty with the giver, and provided for the recovery of three-fold damages in the case of the acceptance of rebates. In the enforcement of this provision many fines have been imposed both upon carriers and shippers, and the result is the practical suppression of the evil throughout this country, to the great benefit of the general business interests. Nothing in the past has so powerfully aided the aggressions of industrial trusts or has been so destructive to the independent dealer. The small shipper is now on a footing of equality with his largest competitor so far as transportation charges are concerned.

2. It gave the Commission power to reduce a rate found to be unreasonable and the power to require a carrier to cease and desist from collecting a discriminatory rate. While the courts could award damages on past shipments, they had no power to protect the shipper against excessive and discriminatory rates in the future; and the pecuniary consequence of such a rate to a particular shipper was frequently so small, when compared with the cost of the litigation, that an appeal to the courts proved futile and wholly inadequate; and even where damages were awarded the court could not control the rate for the future. The Hepburn Act met this situation by providing the shipper, through the agency of the Commission, with a simple and inexpensive way of securing damages resulting from excessive rates on his past traffic, and a freedom from excessive charges for the future. The individual shipper whether large or small was relieved of the burden and expense of protracted litigation, and that cost was placed by the act where it belongs, namely, upon the public at large as represented by the Government.

3. The orders of the Commission were made self-operative. Under the former procedure when a carrier refused to comply with an order it could be enforced only by litigation, often protracted during several years, leaving the injured party without relief in the meantime. Under the Hepburn Act the carrier was required either promptly to obey the order or to assume the burden of securing its annulment by the courts.

4. The so-called "midnight tariffs," whereby under legal form favored shippers were given advantages in rates which really amounted to rebates, were abolished by a provision requiring the carriers to give 30 days' notice of changes in rates. Moreover, all incidental services such as icing, storage, refrigeration, elevation and the like were subjected to the same restrictions as transportation itself, and preferences and other abuses in the use of these incidental services were brought under control of the Commission and practically no longer exist.

5. Express companies, sleeping car companies and pipe lines were made subject to the law and the use of their services removed from the field of private barter. Substantial reductions in sleeping car and express charges have resulted from orders entered by the Commission in formal complaints before it since the provisions of the act were extended to these companies.

6. The Commission was authorized to prescribe the forms of any and all accounts, records and memoranda kept by carriers subject to the act, and to employ special examiners with authority to inspect any and all such accounts. Much of this work has been brought to a conclusion, and regular and special examinations are being made of the accounts of interstate carriers. The right to examine the accounts of carriers at any and all times is perhaps the most adequate means yet suggested for the prevention and detection of rebating and other illegal practices. The provision opens to the Government some degree of administrative supervision over the manner in which the carriers comply with the duties imposed upon them by law, and by localizing responsibility for the rigid enforcement of the accounting system so prescribed by the Commission the correct application of funds would seem to follow almost automatically. One result realized from a uniform and an absolutely truthful system of accounts is that railroad reports are now reliable sources of information for investors, and have produced a stability in railway securities hitherto unknown. Questionable operations of high finance, involving the undue inflation of the market values of railroad securities, are no longer conducted.

7. Interstate carriers were prohibited from acting as dealers in the commodities that they transport, a provision of fundamental necessity, justice and importance. It restricted the railroad to its proper sphere of action, namely, transportation, and relieved the public of that peculiarly unfair and destructive competition which results when a railroad becomes at once buyer, carrier and seller.

The Mann-Elkins Law.

With the enactment of this far-reaching legislation on June 18, 1910, under the leadership of President Taft, commenced a new era of efficiency and effectiveness in the regulation by Government of interstate carriers and interstate traffic. Besides enlarging its jurisdiction the new law materially increased the control of the Commission over the rates and practices of interstate carriers. One of the more important changes which it effected was the creation of a special tribunal with power to review the orders of the Interstate Commerce Commission.

THE COMMERCE COURT.

This court is composed of five circuit judges appointed in the first instance by the President, the law providing that their successors shall be appointed by the Chief Justice of the United States for terms of five years from among the circuit judges. In the creation of this court a remedy was found for a situation that had frequently occasioned serious embarrassment to the Commission and to the transportation and shipping interests of the country. The procedure for the enforcement of the orders of the Commission and for testing their soundness in law had theretofore been unsatisfactory and was often attended by vexatious delays. Great expense, duplication of work, loss of time and conflict in decision were the natural consequences of a system which permitted appeals from the orders of the Commission to federal circuit courts in different parts of the country. These complications have been obviated by the new court. A striking illustration of the embarrassments arising under the previous procedure is afforded by the important and well-known Burnham-Hanna-Munger case. The order of the Commission in that proceeding, requiring the carriers to reduce their rates between the Mississippi and the Missouri rivers on traffic from the east, was to become effective on October 26, 1908, and under the provisions of the law could remain in force for a period of only two years from that date. Suit was brought by the defendant railroads in a federal circuit court, and the enforcement of the order was enjoined. It was not until the fall of 1910 that the litigation was finally ended in the Supreme Court of the United States, where the lower court was reversed and the finding and order of the Commission affirmed. The railroad companies thereupon published the rates required under the Commission's order, but they remained in effect only ten days before the order expired under the two year limitation mentioned. At the end of that brief period the higher rates that had been condemned by the Commission were restored by the carriers. The litigation had extended over practically the entire period of two years during which the lower rates ordered by the Commission should have been in effect. The creation of the Commerce Court and the provision that appeals from it shall have priority before the Supreme Court have eliminated such delays and enable final conclusions in litigation affecting the commerce of the country to be reached within a period of a few months.

SUSPENSION OF RATES.

A power of fundamental importance conferred upon the Commission was that giving it authority to suspend and investigate new schedules of rates and fares before they become effective. Such an order when entered by the Commission is equivalent to an injunction and during the period of suspension the old rates, which ordinarily are lower, remain in effect. This amendment casts upon the carriers the burden of justifying their proposed increased rates, and relieves the shippers of the extensive and often unduly burdensome and costly investigations that would necessarily be required to enable them to prove that the proposed new rates are unreasonable. When a carrier proposes to increase its charges it cannot fairly regard it as a hardship

when required to explain the reasons for that course and to justify it.

In the exercise of this new and beneficent power the Commission up to July 1, 1912, has entered 134 orders suspending tariffs of increased rates pending investigation. In 26 instances the rates proposed in the suspended schedules were found to be unreasonable and the Commission ordered their permanent cancellation; in 42 instances the new rates were allowed to become effective as reasonable rates; in seven cases the tariffs of higher rates were approved in part and condemned in part; and in five cases the defendant carriers after the suspension of their schedules of increased rates but prior to a hearing voluntarily cancelled the new tariffs and continued their current rates in force. The remaining 54 cases in which this power has been exercised by the Commission are still under investigation, the old rates remaining in effect and the higher proposed rates being under suspension.

OTHER CHANGES IN THE LAW UNDER THE MANN-ELKINS ACT.

1. Another significant and useful provision in the amendatory act of 1910 authorizes the Commission on its own initiative to institute investigations respecting the rates and practices of carriers, and if found to be unjust, discriminatory, preferential or otherwise unlawful, to determine and prescribe a just and reasonable rate or practice for the future. Up to June 30, 1912, 59 such proceedings of inquiry had been docketed by the Commission on its own motion, in many of which the Commission has investigated and corrected unreasonable rates and irregular practices. The so-called eastern and western rate advance cases, which are among the most important proceedings that the Commission has ever considered, and in which the carriers undertook by new tariffs to impose higher rates upon practically the entire commerce of the country, are notable instances of inquiries instituted on the motion of the Commission. The result of its exercise of the power in those two cases is that the old rates are still in effect and the commerce of the country has been relieved of the substantial additional burdens proposed in the new tariffs that were condemned by the Commission at the conclusion of its investigations.

2. What is known as the long and short haul clause of the act forbids a carrier from charging more for a shorter than for a longer haul over the same rails and in the same direction. An amendment to this section authorizes the Commission under certain conditions to grant carriers relief from its provisions. Some idea of the magnitude of the work thus imposed upon the Commission may be gained from the fact that since this amendment took effect over 6,580 applications for relief have been filed.

3. Under the Mann-Elkins Act the shipper was not only given the right to control and direct the routing of his shipments, but was protected in the privacy of his commercial relations by a provision making it a misdemeanor for a carrier or the officer or agent of a carrier to disclose to a competitor any information that may be used to his detriment concerning the nature, kind, quantity, destination, or routing of any property delivered to it for interstate transportation.

4. The right was also given to a shipper on written request to demand a written statement by the carrier of the rate or charge applicable to a proposed shipment over its rails; and in case of its refusal to make such a statement within a reasonable time or a misstatement of the applicable rate, to the damage of the shipper, the carrier was made liable to a penalty recoverable by the United States in a civil action.

5. In the history of transportation numerous instances appear where rail lines have crushed out the competition of independent water lines by so reducing their rail rates as to make it unprofitable and impossible for the water line to continue in business. The Mann-Elkins Act throws the protection of the law

around water lines by prohibiting a rail line that has pursued that course from restoring its old rates until after a hearing and finding by the Commission that the proposed increased rates are justified by changed conditions other than the elimination of the water competition.

6. By the amendment of 1910 the jurisdiction of the Commission was extended to include telegraph, telephone and cable companies. In other ways that need not be detailed here that legislation substantially enlarged the powers of the Commission so as to give it more effective control over the rates and practices of all the utilities named in the act that serve the interstate public.

HOURS OF SERVICE, SAFETY APPLIANCE, ACCIDENT AND BOILER INSPECTION LAWS.

While so adjusting the law as to meet the requirements of interstate commerce, other acts have been passed giving the Commission a larger control in matters affecting the safety of of employees and the traveling public. In this connection should be mentioned the Hours of Service Law, the Act Regulating the Transportation of Explosives and Dangerous Articles, the amended Safety Appliance Acts and the Boiler Inspection laws.

The Hours of Service Law restricts the hours of labor of employees engaged either as train men or as telegraph operators, and its provisions are enforced by the Commission. Although its primary object is to promote the safety of travelers by limiting the hours of service of employees within reasonable bounds, nevertheless in its actual operation it enforces humane and considerate treatment of employees as well as the greater safety of the public. Upon the courage, fidelity and accuracy of these employees depends the life of everyone who travels by railroad. The propriety of this legislation needs no demonstration, and its just enforcement operates to protect the rights of employees so far as they fall within the jurisdiction of the law.

These various laws have been materially strengthened by judicial interpretation. Their humane purpose has proved of incalculable benefit to railroad employees and the public generally. Besides safeguarding the dangerous and responsible work of hundreds of thousands of the most intelligent employees of the country, they have given added security to million of travelers. In the course of their administration the Commission during the past year has inspected the boilers of 3,535 locomotives, and has inspected the safety appliances of 487,130 freight cars, 16,131 passenger cars and 24,999 locomotives.

The Results Obtained.

A somewhat definite understanding of the more important work devolving on the Commission, and of its intimate relation to the interstate commerce of the country may be had when its varied activities in a calendar year are enumerated. During the 12 months ending on November 30, 1911, 507 proceedings were disposed of in formal decisions, and 145 cases of similar character were removed from the formal docket by stipulation or on motion. During that time 881 formal complaints were filed and 12 proceedings of inquiry instituted; 43 proceedings of investigation and suspension of tariffs containing proposed increases in rates were ordered; hearings of 943 alleged violations of the act were held at various points from the Atlantic to the Pacific and from the Gulf of Mexico to the Canadian border, in which 95,000 pages of typewritten testimony were taken. Informal complaints aggregating 4,325 in number were the subject of correspondence by the Commission with carriers. On the special docket 5,653 claims were filed and reparation amounting in the aggregate to \$329,388 was awarded to shippers. As many as 121,829 tariff publications were filed. The carriers presented 5,723 applications for relief from the operation of the long and short haul provision of the act, and 450 orders were entered

either denying applications or prescribing the extent of the relief. Over 3,600 petitions for authority to change rates on less than statutory notice were presented and considered.

A fair conception of the work performed by the Commission in the field of regulation is not possible without reference to the results obtained where formal complaint is not filed or proceedings of a formal nature pursued by a shipper. The public is not advised of the full extent of the work accomplished in securing through correspondence the voluntary adjustment by carriers of questions in dispute with shippers relating to interstate transportation. Nor is the public cognizant of the extreme importance and value of these results to the shipping and traveling public. Excluding the letters relating to safety appliances, accidents, statistics, accounts, tariffs, block signals, train control, hours of service and other related matters, there were received and recorded during the 12 months ending on November 30, 1911, 107,457 letters, in which shippers and travelers and others interested in some way in interstate transportation laid their grievances before the Commission. Through the medium of the correspondence that ensued the settlement of many matters more or less vexatious to shippers was obtained. The questions thus amicably adjusted are not alone questions affecting the interest of individuals; on the contrary, the effect of the action taken by carriers in the adjustment of these complaints is often of widespread interest, and advantage to large communities, if not indeed of vital importance to considerable sections of the country. Controversies arising out of the relations between the carriers themselves are likewise in many instances presented to the Commission for arbitration, or conference, or adjustment. It is also frequently called upon by traffic officials of carriers to indicate the proper and lawful course to be pursued in respect to the application of rates or regulations affecting transportation, or in respect to other similar matters. It will thus be seen that many great benefits result from the adjustment or settlement through correspondence of questions informally submitted to the Commission for investigation and brought to a satisfactory conclusion through friendly intervention between the parties interested. These informal complaints involve every conceivable subject connected with the rates, methods, practices and service of interstate carriers and their relations with the shipping and traveling public.

PUNISHMENTS OF VIOLATIONS OF THE LAW.

Shortly after the passage of the Hepburn Act the Commission prepared through its organization to deal with criminal violations of the act to regulate commerce. Its first investigations had to do for the most part with direct rebates, and the criminal prosecutions that followed largely involved violations of that nature. But, as heretofore observed, the indictment and severe fines imposed upon such offenders has resulted in the practical suspension of violations of the law in that form. At this time the law is more frequently evaded through practices of a more complicated and indirect character, such as the substitution of tonnage in transit, the leasing by carriers of valuable terminal and other properties to favored shippers at nominal rentals, and through other devices by which unlawful preferences are accomplished and unlawful practices are brought to a successful conclusion in the interest of favored shippers. Not infrequently these devices are legal in form although through them unlawful results are accomplished. Violations of this sort were early anticipated by the Commission and many cases resulting in indictments and severe penalties have been brought by it to the attention of the courts.

For the enforcement of the criminal sections of the law the Commission has at all times depended upon the cooperation of the Department of Justice. Through its aid in sustaining and encouraging the Commission in its difficult work of investigating such offenses and bringing them before the courts the law has

been enforced with commendable ability and notable success. The cordial relations constantly maintained between the Department of Justice and the Commission and their common purpose to promote the public welfare by the strict enforcement of the law have tended to free interstate commerce from unlawful and discriminatory and preferential practices and to open to the general public on a basis of practical equality all the highways conducted by interstate carriers. The prosecutions conducted by the Department of Justice upon information furnished to it by the Commission have been about equally divided between carriers and shippers. Since the passage of the Hepburn Act the Department has obtained nearly 240 indictments for violations of the act; and in such of these cases as have been finally settled fines ranging from \$25 to \$120,000 have been assessed against the convicted offenders, the gross amount of such penalties approximating \$1,500,000.

I am a protectionist because our country has prospered with protection and languished without it.—Hon. B. F. Jones, in the "American Economist."

It appears that in all commercial countries export prices are at times from various causes lower than domestic prices.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

The United States is a continental nation and should adopt a continental policy. Free trade is adapted only to insular nations, and no continental nation has adopted a free-trade policy.—Ex-President Hill, of the University of Rochester, now ambassador to Germany.

If by asserting complete Federal control over the interstate railways of the country we can suppress secret rebates and discriminations of other kinds, we shall have gone a long way in the suppression of the unlawful trusts.—Hon. Wm. H. Taft, at Columbus, Ohio.

The millions we formerly sent to aliens in alien lands to pay them for making tin plate for us we now pay to our own countrymen in the United States; we have the tin plate and we have the money expended for tin plate besides.—Hon. Wm. S. Greene, in Congress, April 28, 1904.

The highest claim of William McKinley for the gratitude of his countrymen is that, in spite of the abuse and contumely that was heaped upon his head for this policy, he placed our country in the forefront of nations as a civilizer and uplifter of unfortunate peoples.—Hon. Wm. H. Taft, at Cleveland, Ohio.

I believe our strong party with its great principles is only in its infancy. Our glory as a nation has but just begun. There are mighty problems yet to be solved, grave questions to be answered, complex issues to be wrought out, but I believe we can trust the Grand Old Party and its leaders to care for the future of our Nation and of our people as it has cared for them so well in the past.—Hon. James S. Sherman.

Think of it, you producers and manufacturers and merchants and traders and bankers and transporters, think of it! The market of our own country, the home market, in which you can transport your goods from the door of the factory to the door of the consumer, without breaking bulk a single time, is equal to the entire international commerce of the world.—O. P. Austin, at Rochester.

The recall, I venture to predict, if adopted will prove a disappointment throughout. It will not serve to raise the standard of public life; it will not serve to improve the character of officials, but, on the contrary, it will make trimmers of men who accept office, if they are not that when they accept office, and it will deter men of independence and capacity, who are not seeking place, from accepting positions of trust.—Hon. Charles Nagel, Secretary of Commerce and Labor.

Conceding that any of these ideas may find application in local conditions, how will these advocates apply their ideas to the activities of the National Government? * * * Is it possible that, not content with the present agitation, opportunity for turmoil, indecision, and unrest shall be multiplied? Is it possible that they contemplate the recall of Federal officials? Is it to be applied to Congressmen in their respective districts? Is it to be applied to Senators, and is it to be applied to President?—Secretary Nagel at Indianapolis.

LABOR.

A COMPARISON OF THE ATTITUDE AND ACTION OF THE REPUBLICAN AND DEMOCRATIC PARTIES RESPEC- TIVELY WITH REFERENCE TO LABOR AND LABOR QUESTIONS.

State Labor Legislation.

When a political party assumes the role of champion of the common people, it is but natural that we should expect some tangible evidence of such championship on the part of those of its representatives who are in a position to act. It has been shown what the Republican Federal Congress has done in the way of protective labor and other social legislation during the years when the Republicans were in control. Of course, it may be claimed that as much or more would have been done along these lines had the Democrats been in a position to enact Federal legislation. A fair idea of what they would have done, had they been in control of the Federal legislative power, can be obtained from a showing of what *they actually have done where they have had the opportunity*, namely, in the State legislatures.

The bulk of the labor legislation in this country is of such a character as to be strictly within the province of the individual states, the powers of the Federal Government being restricted in this respect to employment in the Government Service and in interstate commerce, and to seamen, immigration, etc. We must, therefore, draw our conclusions concerning the attitude of the two parties toward the people by the character of the protective and other social legislation enacted in the 23 Republican and the 23 Democratic states, respectively. For the purpose of the present study, all states which had Republican legislatures on January 1, 1912, are regarded as Republican states, and all states having Democratic legislatures on that date are regarded as Democratic states. This arrangement places a number of states in the Democratic column which have usually been Republican and which, while in Republican control, were among the most prolific in the enactment of effective labor legislation, namely: Ohio, Indiana, Maine, Nebraska, and West Virginia. Notwithstanding this arrangement, however, an analysis of the legislation of these two groups of states shows that the Republican states have in almost every case exceeded the Democratic states in making provision for the benefit of the wage workers. This is shown in the statement on page 118, which indicates in brief the character of labor legislation in force on January 1, 1912, in each of the forty-six states having legislatures at that time.

Accident Insurance.

Hardships have often resulted to wage-workers carrying accident policies, because when they changed their occupations to more hazardous ones after making the insurance contracts they forfeited the right to the insurance, or at most received a rebate on the premium paid. Eleven states have remedied this condition by enacting laws requiring each accident policy to contain a provision to the effect that if an insured person changes his occupation to one more hazardous he shall not thereby forfeit his right to insurance, but shall receive an amount equal to that which the sum paid by him in premiums would have purchased in the more hazardous employment. Of these eleven states *seven* are Republican and *four* are Democratic, two of the latter being Ohio and Indiana.

Legislation in force January 1, 1912.

[illegible]

Reporting of Accidents.

Twenty states have enacted laws requiring employers to report accidents in industrial establishments which result in death or disability. Of these *twelve* are Republican and *eight* are Democratic, the latter including Indiana, Maine, Nebraska, and Ohio.

Twenty-six states require similar reports concerning accidents to employees on railways. Of these *sixteen* are Republican and *ten* are Democratic, the latter including Indiana and Ohio.

Workmen's Compensation.

The old rule of employer's liability which until a few years ago applied in all the states of the Union, requires an employee injured by accident during his employment to bring suit and prove negligence on the part of his employer in order to recover damages from the latter. This rule, which works untold hardship upon workmen, especially those engaged in hazardous employments, was changed many years ago in nearly all the other civilized countries of the world by the enactment of workmen's compensation laws. In the United States there has been a movement during recent years to substitute for this old rule a system of compensation or insurance by means of which persons suffering from the consequences of industrial accidents shall receive an equitable relief for themselves, or, in case of fatal injuries, for those dependent upon them. Such a system provides a definite sum as compensation for injuries without involving a suit at law and without reference to the negligence of the employer. *Thirteen* states have enacted such laws, of which *nine* are Republican and *four* are Democratic.

Eleven other states have appointed commissions to investigate the subject of such relief with the view of considering the enactment of such legislation. Of these *seven* are Republican and *four* are Democratic states.

Child Labor.

No form of labor legislation has occupied public attention so much in recent years as the regulation of the employment of children. Through the activities of the National Child Labor Committee and other organizations, all the states of the Union have enacted child labor laws, the last to fall into line being some of the Southern states and one Democratic Western State.

Thirty-eight states have enacted laws limiting the hours of labor of children or young persons, of which *twenty* are Republican and *eighteen* Democratic.

Thirty-nine states have laws prohibiting the employment of children or young persons in hazardous occupations, such as operating dangerous machinery, cleaning machinery in motion, etc., of which *twenty-one* are Republican and *eighteen* are Democratic states.

Fifteen states prohibit the employment of young persons in bars rooms, of which *eleven* are Republican and *four* are Democratic.

Thirteen states regulate or restrict the employment of children in street trades, of which *seven* are Republican and *six* are Democratic.

Twenty-six states have laws relating to the employment of illiterate children, of which *fourteen* are Republican and *twelve* are Democratic.

Thirty-eight states prohibit the employment of young persons at night work, of which states *twenty-one* are Republican and *seventeen* are Democratic.

Factories and Workshops.

Among the most important objects of legislation for the protection of wage-workers are provisions for the health and safety of employees.

Sweatshops: There is nothing which tends more to degrade human beings or to menace the health of a community than the crowding of persons into filthy workshops, where they are often compelled to work, eat and sleep and where the hours of labor

are so long that the victims, who are usually foreigners, are shut out from all opportunities for education or improvement of any kind. *Twelve* states have enacted laws for the regulation and inspection of sweatshops and prohibiting the evil features of the same; of these *eight* are Republican and *four* are Democratic, two of the latter being Indiana and Ohio.

Bakeries: The sanitary condition of bakeries is a matter of vital importance not only to the employees, but to the millions of consumers, whose health is menaced by uncleanly and disease breeding conditions that often exist there. *Sixteen* states have enacted laws for the inspection and regulation of bakeries, of which *eleven* are Republican and *five* are Democratic, *two* of the five being Indiana and Ohio.

Ventilation and Sanitation: Twenty-six states have made provision for the proper ventilation of factories and workshops and have prescribed regulations for the enforcement of other sanitary measures in places where people are employed. Of these *fifteen* are Republican and *eleven* are Democratic states, the latter including Indiana, Nebraska, Ohio and West Virginia.

Cellars and Basements: The use of damp, ill-ventilated cellars and basements as places of employment is often the cause of disease and death not only to the employees, but also to the consumers of goods manufactured there. *Twelve* states have enacted laws regulating or prohibiting the use of cellars and basements for workshops. Of these *eight* are Republican and *four* are Democratic states, the latter including Indiana and Ohio.

Fire-escapes: It is needless to comment upon the necessity of having fire-escapes on factories as a protection to employees. Thirty-six states have enacted laws requiring fire-escapes on factories and other places where persons are employed. Of these *eighteen* are Republican and *fifteen* are Democratic states, the latter including Indiana, Maine, Nebraska, Ohio and West Virginia.

Hours of Labor.

For many years the labor organizations have been striving for an eight-hour day in all industries, and with this end in view have been endeavoring to secure legislation prohibiting labor on Government works and on public contracts for more than eight hours per day, and placing similar limitations upon the hours of labor in certain occupations where long continuous work is injurious to health. *Thirty* states have enacted laws providing for an eight-hour day in certain occupations, of which *sixteen* are Republican and *fourteen* are Democratic. *Twenty-three* states have laws limiting the hours of labor on public works, usually to eight per day. Of these states *fourteen* are Republican, and *nine* are Democratic. *Ten* states have enacted laws limiting the hours of labor on street railways, of which states *seven* are Republican and *three* are Democratic. *Eleven* states have laws requiring employers to allow their employees time for meals. Of these *eight* are Republican and *three* are Democratic states.

Protection of Members of Labor Organizations.

Eighteen states have enacted laws, that are now in force, which prohibit employers from discharging persons on account of membership in labor organizations or from compelling persons to agree not to become members of labor organizations as a condition of securing employment or continuing in their employ. Of these states *eleven* are Republican and *seven* are Democratic, the latter including Indiana and Ohio.

Nine states have laws making it a misdemeanor to counterfeit, forge or alter cards of membership in labor organizations with the intent to defraud. Of these *six* are Republican and *three* are Democratic states.

Occupational Diseases.

In recent years much attention has been given to the subject of occupational diseases, that is, diseases due directly to the handling of poisons such as lead, phosphorus, arsenic, mercury and other chemicals, or to working in the presence of poisonous

fumes, dust, etc. During the year 1911 *eight* states enacted laws dealing with this subject, in some cases requiring physicians to report all such diseases, in some requiring periodical examinations of persons employed in such industries, and in some cases prescribing preventative measures. Of these states *seven* are Republican and one (Ohio) is a Democratic state.

Wage Payments.

In order to insure the prompt payment of workingmen's wages in cash when due, *twenty-seven* states have enacted laws requiring employers to pay wages at stated intervals, that is, weekly or fortnightly, and in some instances prohibiting a longer period than one month between pay days. Of these *fourteen* are Republican and *thirteen* are Democratic states, the latter including Indiana, Maine, Ohio and West Virginia.

Safety of Employees.

Thousands of people are maimed or killed each year in factories, workshops and on buildings because employers do not take the precaution of placing guards on dangerous machinery or adequate scaffolding on buildings under construction. *Twenty-four* states have enacted laws requiring employers to reduce the liability to injury by having proper guards placed on all dangerous machinery. Of these states *fourteen* are Republican and *ten* are Democratic, the latter including Indiana, Nebraska, Ohio and West Virginia.

Nineteen states have laws requiring adequate protection on the scaffolding and staging, wherever buildings are constructed, repaired or painted, so as to prevent employees, as far as possible, from falling. Of these *eleven* are Republican and *eight* Democratic states, the latter including Indiana, Nebraska and Ohio.

Woman Labor.

The protection of women who are compelled to earn their living by working in factories, shops and stores is regarded in every civilized country as one of the most important objects of labor legislation.

Barrooms: Twelve states prohibit the employment of women in barrooms. *Eight* of these are Republican and *four* are Democratic states.

Hours of Labor: Twenty-eight states have placed a limit upon the number of hours per day or per week that women may be employed. *Seventeen* of these are Republican and *eleven* are Democratic states, the latter including Indiana, Maine, Nebraska and Ohio.

Night Work: Seven states have laws prohibiting women from working at night. *Four* of these are Republican and *three* Democratic states, the latter including Indiana and Nebraska.

Seats for Females: One of the greatest hardships for women who are employed is for them to be compelled to stand all day while at work. *Thirty-seven* states have enacted laws requiring employers of labor in shops or stores to provide seats for female employees. Of these *twenty* are Republican and *seventeen* are Democratic states, the latter including Indiana, Maine, Nebraska, Ohio and West Virginia, which are ordinarily Republican states, but which at present have Democratic legislatures.

(Arizona and New Mexico were not included in the above discussion because they did not have State legislatures in 1911.)

Railway Labor.

A careful study of the wages of railway employees in the United States and the principal foreign countries based entirely upon official statistics, published by the respective governments, was recently made by the Bureau of Railway Economics. While this Bureau is not a governmental or official organization, its figures and statements are largely based upon official reports and publications, and the accuracy of statement or fairness of conclusion has never, so far as is known, been called in question. The study throws some important light upon the difference be-

tween the treatment accorded railway workers in our country and in the foreign countries where the railways are either owned by the governments, or are perhaps controlled in a larger measure than they are in the United States. This study is particularly important when we consider that the railways in this country employ over one and one-half million persons, and if we count their families and dependents at, say, three for each employee, we may assume that at least six millions of our people are dependent upon railway wages. Furthermore, as all the governments mentioned officially collect the wage statistics of their railways, the wage data are perhaps more complete and reliable than those of any other industry.

In summarizing the results of this study the report says:

"The average daily compensation of railway employees of all classes for the year 1910 was in the United States, \$2.23; in the United Kingdom, \$1.05; excluding supplementary allowances negligibly affecting the average, it was in Prussia-Hesse 81 cents, and in Austria 89 cents. The lowest paid railway employee in the United States, the ordinary trackman, receives a greater compensation than many of the railway employees of France, even those of higher grades and with responsible duties. The compensation of railway employees is from two to three times as high in the United States as in Italy.

"A recent report of the Board of Trade on railway wages shows that the average weekly pay of enginemen in the United Kingdom in 1907 was \$11.17; of firemen, \$6.67. In the same year enginemen on American railways received an average weekly compensation of \$25.80, counting six days to the week, and firemen \$15.24. Recent returns make it clear that in 1912 enginemen and firemen in the United States are compensated at rates of pay for specific runs that are two, three and four times as high as the corresponding rates on representative English railways. The annual compensation of enginemen in the United States, as reported by two representative railway companies, now ranges from \$1,100 in switching service to over \$2,800 in passenger service, and of firemen from \$700 in switching service to over \$1,700 in passenger service.

"For continental Europe official returns in requisite detail are not available for a later year than 1908. The salaries and allowances of the typical engineman in Germany amounted for that year to \$646.88, in Austria to \$870.80; of a foreman in Germany to \$424.59, in Austria to \$532.03. The annual compensation of enginemen on two of the principal railways of France ranged in 1908 from \$505.66 to \$960.91, and of firemen from \$324.24 to \$595.98. In Italy enginemen received in 1908, salary and allowance included, from \$581.10 to \$812.70 a year; firemen, from \$330.30 to \$475.05 a year. In these continental countries the maximum compensation is received only after many years of service.

"The average annual compensation of enginemen in the United States in 1908, on an estimated basis of 300 days' service, was \$1,335; of firemen, \$792. In this country the rate of compensation to these employees does not depend on length of service."

Railway Wages in the United States and Great Britain Compared.

Going more into detail we find from this report (from which both the tables and the text analysis are quoted) that the wages of the principal railway occupations which were comparable in the United States and Great Britain were as follows in the latest year for which the statistical data were available:

The returns in each case are given as actual earnings, except that uniform, housing and minor allowances, which averaged about ten cents per man per week in the United Kingdom, are not included. The British returns have been reduced to a per diem basis by dividing the weekly earnings by six:

Average Daily Earnings.

Occupation.	United States, 1907-8.	United Kingdom. October, 1907.
All occupations (except officers and clerks).....	\$2.19	\$1.048
Station men, other than agents.....	1.82	0.90
Enginemen.....	4.45	1.86
Firemen.....	2.64	1.11
Conductors.....	3.81	1.23
Other trainmen.....	2.60	1.25
Machinists.....	2.95	1.285
Carpenters.....	2.40	1.285
Other shopmen.....	2.12	0.83
Trackmen (other than section foremen).....	1.45	0.89
Switch tenders, crossing tenders and watchmen.....	1.78	1.07
"All other employees and laborers".....	1.97	0.99

The average daily earnings of railway employees in 1907 amounted to \$2.19 in the United States and \$1.048 in the United Kingdom, the earnings for the United States being 109 per cent greater than for the United Kingdom. If the value of all extra allowances for uniform, housing, etc., be added to the English earnings, the American compensation is still the greater by about 100 per cent. Roughly the American railway employee was paid in 1907-8 twice as much per day as the English railway employee.

For the separate occupation classes, the pay received in the United States is higher than the pay of the corresponding classes in the United Kingdom by the following percentages:

	Per cent.
Conductors	209.8
Enginemen	139.2
Firemen	137.8
Machinists	129.6
"Other trainmen"	108.0
"Other station men" ..	102.2
"All other employees"	90.0
Switch tenders, crossing tenders and watchmen....	66.4
Trackmen (other than section foremen).....	62.9

Railway Wages in the United States and Germany Compared.

The average daily earnings of all employees on the Prussian-Hessian railways for the years 1900 to 1910 may be compared with the average daily compensation of all employees on American railways for the same years.

	Average daily compensation.		Percentage by which American compensation is greater than Prussian-Hessian
	United States.	Prussia-Hesse.	
1900.....	\$1.90	\$0.647	193.6
1901.....	1.91	0.652	192.9
1902.....	1.92	0.657	192.2
1903.....	1.99	0.662	200.6
1904.....	2.05	0.671	205.5
1905.....	2.07	0.688	200.9
1906.....	2.08	0.726	186.5
1907.....	2.20	0.757	190.6
1908.....	2.25	0.771	190.5
1909.....	2.24	0.783	186.1
1910.....	2.29	0.807	183.8

Wages and Cost of Living in Protective United States and in Free-trade United Kingdom.

In comparing the wages and cost of living in the United States and the United Kingdom we must bear in mind, first, that the United Kingdom is a free-trade country, and secondly, that labor is perhaps better organized there than anywhere else. Being a free-trade country we must conclude from the arguments of our Democratic friends that the prices of most of the necessities of life are much lower in the United Kingdom than they are in the United States. On the other hand, if a protective tariff does not tend to maintain higher wage rates in the various industries of a country then we must expect, in view of the great influence exerted by the labor organizations in England, that wages there should be at least as high as, if not higher, than in the United States.

The most recent comparative study of the wages and cost of living in the United Kingdom and the United States was made by the British Board of Trade and published as an official document in 1909a. In this document a comparison is made between

(a) Cost of living in American towns. Report of an enquiry by the Board of Trade into working class rents, housing, and retail prices, together with the rates of wages in certain occupations in the principal towns of the United States of America, with an introductory memorandum and a comparison of conditions in the United States and the United Kingdom. London, 1909.

the wages paid in the United States and in the United Kingdom in the building, engineering and printing trades, and the light which that report throws on the relative positions of the American and the British workmen in these industries is significant.

In making the comparison the British Government selected these occupations because "it was necessary to choose occupations that were followed most universally" and because they "represent in both countries those which rank among the more highly organized and the more highly skilled." The following table is reproduced from the British Report, the only changes made being the conversion from British to United States money:

Predominant weekly wages of adult males in certain occupations in England and Wales and in the United States.

[The money values have been converted from shillings and pence to dollars; otherwise the table is reproduced as in the original British publication.]

Occupation.	Predominating range of weekly wages.		Ratio of mean predominant wage in the United States (February, 1909) to mean predominant wage in England and Wales (October, 1905), taken as 100.	
	England and Wales (Oct., 1905).	United States (Feb., 1909).		
Building trades: ^a				
Bricklayers	\$9.12- \$9.85	\$26.77- \$30.42	301	} 285
Stone masons	9.04- 9.57	23.42- 26.77	270	
Carpenters	} 8.80- 9.57	16.73- 21.90	-----	} 210
Joiners		24.33- 29.00	-----	
Plasterers	8.88- 10.14	21.29- 27.37	-----	280
Plumbers	8.60- 9.67	15.82- 20.68	-----	266
Painters	7.66- 9.12	12.17- 16.73	-----	217
Hod carriers and bricklayers' laborers	5.92- 6.57	-----	-----	231
Engineering trades:				
Fitters	} 7.79- 8.76	15.41- 18.13	-----	} 203
Turners		16.47- 20.76	-----	
Smiths	7.79- 8.76	18.13- 22.30	-----	225
Patternmakers	8.27- 9.25	9.12- 10.65	-----	231
Laborers	4.38- 5.35	-----	-----	203
Printing trades:				
Hand compositors (job work)	6.81- 8.03	16.73- 19.77	-----	246
Arithmetic means: ^b				
The building trades	-----	-----	-----	243
The engineering trades	-----	-----	-----	213
All above occupations	-----	-----	-----	232

a The wages stated for the building trades are for a full week in summer in both countries.

b In arriving at the trade and general index numbers, bricklayers and stone-masons have been regarded as one occupation and carpenters and joiners and fitters and turners as two respectively.

In commenting on this table the British Report says:

"It will be seen that in the building trades the mean of the predominant range in the United States is in no case less than double that of the corresponding English grade of wage-earner. For the whole group the rate is 243: 100. In the engineering trades the index numbers are in no case less than double the English figure, and the combined ratio is 213: 100. For the compositors the ratio is 246: 100, as compared with 232: 100 for all occupations included in the table. It will be remembered that each of these ratios is subject to slight modification in view of the different dates to which the returns relate."

The report of this British investigation shows that in the three trades indicated the average wages of the American wage-worker were higher than those of the English wage-worker by 130 per cent, and that his hours of work per week were fewer by 4 per cent. It is also shown that while the American wage-worker with his higher wages pays more for rent, food and some other commodities than the British worker, the difference is not nearly as great as that between their wages, and the American, while being better housed, better clothed and better fed, still has a much greater margin of increase over his expenditures than his British neighbor. This margin, says the report of the

British Board of Trade, "makes possible a command of the necessities and conveniences of life in the United States that is both nominally and really greater than that enjoyed by the corresponding class in this country (England)."

In 1911 a select committee of the United States Senate prepared an elaborate report, entitled "Investigation Relative to Wages and Prices of Commodities" (Senate Document No. 847, 61st Congress, 3d session). The material contained in this report has been obtained from official publications of various governments, from Consular reports, from the testimony of persons called before the Committee and by means of special investigations.

The following table, compiled from this Senate report, shows the actual wages per hour paid in the ten leading cities of the United States and of the United Kingdom. The aggregate population of the ten American cities is about the same as that of the ten British cities, so that the comparison is a fair one:

Wages per hour in leading occupations in the principal cities of the United States and in the United Kingdom in 1900 and 1907.

[Compiled from Senate Document No. 847, 61st Congress, 3d Session, Vol. I, pp. 75-85.]

Cities.	Wages per hour.									
	Carpenters.		Bricklayers.		Plumbers.		Machinists.		Blacksmiths.	
	1900.	1907.	1900.	1907.	1900.	1907.	1900.	1907.	1900.	1907.
United States:										
New York	\$0.49½	\$0.60¾	\$0.36½	\$0.70	\$0.46	\$0.62½	\$0.24½	\$0.32	\$0.33¾	\$0.40¾
Chicago	.45	.56½	.50	.62¾	.50	.62½	.26½	.33¾	.29½	.35¾
Philadelphia	.34½	.40¾	.49¾	.62½	.35½	.43¾	.25½	.28½	.30¾	.37¾
St. Louis	.33¾	.59¾	.55	.73¾	.50	.64½	.28½	.31¾	.28	.36½
Baltimore	.27½	.42¾	.36¾	.62½	.30½	.41	.21½	.30½	.21¾	.28¾
San Francisco	.39½	.62½	.62½	.87¾	.48¾	.82½	.30½	.40¾	.33¾	.46½
New Orleans	.28	.39¾	.47¾	.64	.33¾	.51½	.31	.38¾	.34	.40¾
Washington	(b)	.50	.50	.62½	.43¾	.50	.24¾	.26	(b)	.33¾
Louisville	.25½	.34½	.50	.60¾	.33¾	.50	(b)	.34	.25½	.33¾
Denver	.37½	.55	.62½	.75	.50	.62½	(b)	.35¾	(b)	.35¾
United Kingdom:										
London	.21¼	.21¼	.20¼	.21¼	.22¼	.22¼	.17	.18	.17	.18
Glasgow	.20¼	.19¾	.20¼	.19¾	.18¼	.18¼	.16¼	.16¼	.16¼	.16¼
Liverpool	.19¼	.19¼	.19¼	.19¼	.19¼	.19¼	.16½	.17	.17½	.18
Manchester	.19¼	.19¼	.20¼	.20¼	.19¼	.19¼	.16	.17½	.16½	.17½
Birmingham	.19¼	.19¼	.19¼	.19¼	.19¼	.19¼	.16½	.18	.16½	.18¼
Leeds	.18¾	.18¾	.18¾	.18¾	.17¼	.18¼	.15½	.16	.15½	.16
Sheffield	.18¾	.18¾	.19¼	.19¼	.18¼	.18¼	.17	.18¼	.17	.18¼
Dublin	.16¼	.16¾	.17¼	.17¼	.17¼	.17¼	.15½	.14¼	.15¼	.14¾
Belfast	.17¼	.17¼	.17¼	.17¼	.17¼	.17¼	.16¾	.16¾	(b)	(b)
Bristol	.17¼	.18¼	.17¼	.18¼	.17¼	.18¼	.16¾	.16¾	.20½	.21¼
									.18	.19

b Not reported.

a Printing and publishing, newspaper.

This table confirms the statement of the British Board of Trade in its assertion that wages in leading skilled occupations in the United States are more than double those in Great Britain. We find, for instance, that the wages per hour of carpenters in New York were 49½ cents in 1900 and 60¾ in 1907, while in London they were 21¼ cents in both years. The hourly wages of bricklayers in New York rose from 36¼ cents in 1900 to 70

cents in 1907, while in London they were 20¼ cents to 21¼ cents. The hourly wages of plumbers rose from 46 cents in 1900 to 62½ cents in 1907 in New York, while in London they were the same in both years, namely, 22¼ cents per hour. The same differences may be seen by comparing other cities of equal population in the United States and the United Kingdom.

Analyzing the above table, as a whole, we find by comparing the ten American with the ten British cities that the average hourly wages of carpenters in American cities ranged from \$0.25¼ to \$0.49½ in 1900, and from \$0.34½ to \$0.62½ in 1907, while in British cities they ranged from \$0.16¼ to \$0.21¼ in 1900, and from \$0.16¾ to \$0.21¼ in 1907. The average hourly wages of bricklayers in American cities ranged from \$0.36¼ to \$0.62½ in 1900 and from \$0.60½ to \$0.87¾ in 1907, while in the British cities they ranged from \$0.17¼ to \$0.20¼ in 1900 and from \$0.17¼ to \$0.21¼ in 1907. The average hourly wages of plumbers in American cities ranged from \$0.30½ to \$0.50 in 1900, and from \$0.41 to \$0.82¼ in 1907, while in the British cities they ranged from \$0.17¼ to \$0.22¼ both in 1900 and in 1907. The average hourly wages of machinists in American cities ranged from \$0.21¼ to \$0.31 in 1900, and from \$0.26 to \$0.40½ in 1907, while in the British cities they ranged from \$0.15¼ to \$0.17 in 1900, and from \$0.14¾ to \$0.18¼ in 1907. The average hourly wages of blacksmiths in American cities ranged from \$0.21¾ to \$0.34 in 1900, and from \$0.27¼ to \$0.46½ in 1907, while in the British cities they ranged from \$0.15¼ to \$0.17½ in 1900, and from \$0.14¾ to \$0.18¼ in 1907. The average hourly wages of compositors in American cities ranged from \$0.35¾ to \$0.58½ in 1900, and from \$0.43¼ to \$0.80 in 1907, while in the British cities they ranged from \$0.17½ to \$0.23¼ in 1900, and from \$0.19 to \$0.23¼ in 1907. It will be observed that while the average wages in these occupations in the American cities increased nearly 33 per cent during the seven-year period, the wages in the British cities increased but little over 3 per cent during the same time.

That higher wage level aimed at by the fathers of the Republic, the policy of protection, which they inaugurated, secured, and still maintain.—Hon. George H. Ely, of Ohio, in the "American Economist."

I do not apologize for my position touching the protective policy. The Wilson bill was enacted into law. Some of us recalled what that bill did, or was the most natural factor in doing. It closed and bankrupted the entire industries of the country.—Ex-Speaker Cannon.

There are more than twenty-five thousand local labor unions in the United States, with a membership of more than two millions. What infinite good can be accomplished by this mighty army of peace and industry if held true to its opportunity.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

By the policy of fostering American industries the development of our manufacturing interests have been secured; the inventive genius of our people has found a field; American labor has become the best paid, and consequently our laborers are the best housed, clothed and fed; and the wonderful development and progress in this country in all that makes a people great have elicited the admiration of the civilized world.—Senator Cullom, in the "American Economist."

Is there a single measure promised in the last platform, or suggested by developments, that can and would not be enacted under our time-honored system so soon as the people have reached anything approaching a mature conviction as to form and substance; and to accomplish such a result are we as a people not better qualified to select men than we are to formulate measures?—Hon. Charles Nagel at Indianapolis.

The farmer of the West has learned and the farmer of the South ought to learn that when the factory is closed he not only loses customers for his products, but also meets additional competitors in his production. The workingman, losing his employment in the factory, settles upon a truck farm and becomes a producer of the products he formerly bought from the farmer. The prosperity of the farmer depends upon the prosperity of those who buy his products.—Hon. P. P. Campbell, in Congress, April 1, 1904.

The relative increase in wages in the United States as compared with the United Kingdom can best be shown by means of index numbers (for explanation see chapter on Advance in Cost of Living). The following index numbers of wages and prices have been taken from official publications:

Relative wages and wholesale prices in the United Kingdom and in the United States in 1890 to 1911.

[Compiled from Bulletins 77 and 99 of the U. S. Bureau of Labor; Abstract of Labor Statistics, 1909-10, published by the British Board of Trade; Journal of the Royal Statistical Society, Vol. LXXV, Part IV, p. 412 (Sauerbeck Index Numbers; Annual Report of the Bureau of Labor Statistics, New York State, 1910. All Index Numbers have been reduced to the base: 1890-1899=100.)]

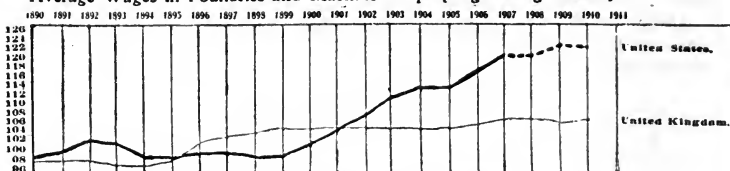
Year.	Engineering trades. United Kingdom.	Foundries and machine shops. United States.	Building trades.		Textile trades.		All occupations.		Wholesale prices.	
			United Kingdom.	United States.	United Kingdom.	United States.	United Kingdom.	United States.	United Kingdom.	United States.
1890.....	97	99	94	97	99	101	99	100	109	113
1891.....	98	100	95	98	101	100	101	100	109	112
1892.....	98	103	97	100	104	100	99	101	103	106
1893.....	97	102	98	100	99	102	99	101	103	106
1894.....	97	99	99	98	99	97	98	98	95	96
1895.....	98	99	100	98	99	99	98	98	94	94
1896.....	102	101	101	100	99	102	99	100	92	90
1897.....	103	100	103	101	99	99	100	100	94	90
1898.....	104	99	106	103	99	100	102	100	97	93
1899.....	105	99	107	105	103	100	105	102	103	102
1900.....	105	102	109	109	105	104	111	106	114	111
1901.....	105	105	109	121	105	106	106	108	106	109
1902.....	105	108	109	121	105	109	107	112	105	113
1903.....	105	112	109	127	105	114	106	116	105	114
1904.....	105	114	109	130	105	112	106	117	106	113
1905.....	105	114	109	132	107	117	106	119	109	116
1906.....	106	118	109	140	111	123	108	124	117	123
1907.....	107	121	109	145	114	131	112	129	121	130
1908.....	107	a 121	109	a 142	114	a 134	112	a 130	111	123
1909.....	106	a 123	109	a 148	112	a 142	110	a 131	112	127
1910.....	107	a 123	109	a 149	112	a 149	110	a 134	118	132
1911.....	109	-----	109	-----	112	-----	110	-----	121	129

a Index numbers for the United States for 1908, 1909 and 1910 are for New York State only, and are not therefore entirely comparable with those for preceding years. They are the best figures available, however, until the U. S. Bureau of Labor publishes the forthcoming Bulletin on Retail Prices and Wages.

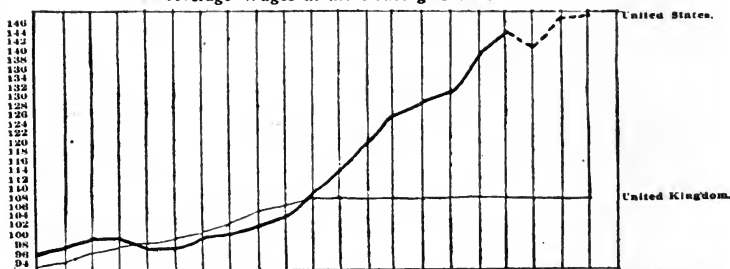
The information given in the above table is graphically shown in the following charts:

It is better for this country to feed, clothe and house our own labor in this country than to support foreign labor in other countries with our money.—H. K. Thurber.

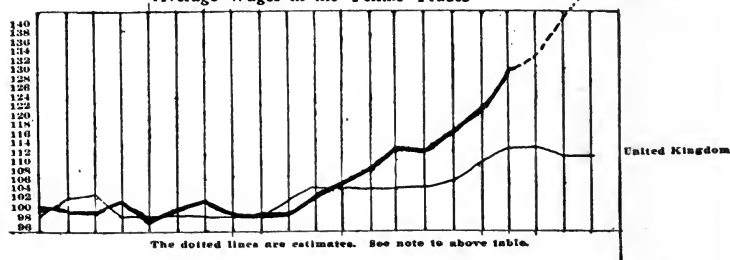
Average Wages in Foundries and Machine Shops [Engineering Trades]



Average Wages in the Building Trades

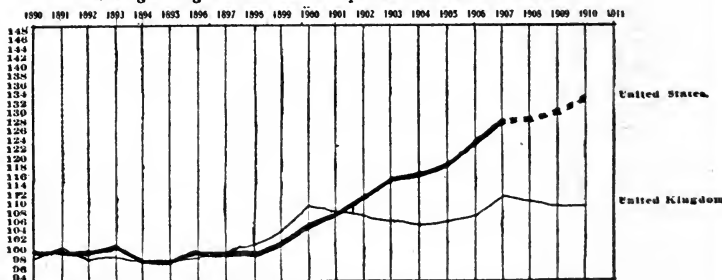


Average Wages in the Textile Trades

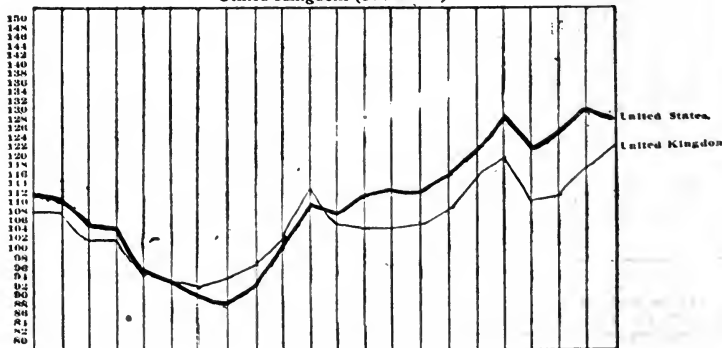


The dotted lines are estimates. See note to above table.

Average Wages in Three Groups of Industries Combined



The dotted lines are estimates. See note to above table.

Average Prices of Commodities: United States (U. S. Bureau of Labor);
United Kingdom (Sauerbeck)

It will be noticed that the course of wages in the United Kingdom has been but slightly upward, while in the United States the upward trend of wages has been very decided in each of the three groups of industries during the twenty-year period from 1890 to 1910. In the case of wholesale prices, however, the lines showing the trend in the two countries are nearly parallel, prices having risen but slightly more in the United States than in the United Kingdom.

While as stated above the prices of commodities are slightly higher in the United States than in the United Kingdom, this is not true of all of the most important articles of consumption, some of the chief articles of food being higher in the United Kingdom. In the following table a comparison is made between the wholesale prices of beef, bacon, wheat, corn, wheat flour and mutton as nearly as possible of the same grade in the United States and in the United Kingdom in 1900 and 1910, the British figures being obtained from Consular reports and published in the above mentioned Senate report, and those for the United States from Bulletin No. 99 of the United States Bureau of Labor. There are also shown, by way of comparison, the average hourly wages in leading occupations in 1900 and 1907 in both countries:

Wholesale prices of leading food commodities in 1900 and 1910 in the United States and the United Kingdom.

[Compiled from Bulletin 99, U. S. Bureau of Labor, Senate Document No. 847, 61st Congress, 3d Session, Vol. I, pp. 24 to 32.]

	Wholesale prices, 1900.		Wholesale prices, 1910.	
	United States.	United Kingdom.	United States.	United Kingdom.
Fresh beef, per 100 pounds.....	\$8.04	\$12.00	\$10.27	\$11.75
Bacon, per 100 pounds.....	7.32	13.50	12.91	16.00
Mutton, per 100 pounds.....	7.27	14.50	10.05	12.00
Wheat, per 10 bushels.....	7.04	8.50	10.97	12.10
Corn, per 10 bushels.....	3.81	5.90	5.81	8.20
Wheat flour, per barrel.....	3.35	3.92	4.69	4.90

Rates of wages per hour of wage earners in specified occupations in 1900 and 1907 in the United States and the United Kingdom.

[Compiled from Senate Document No. 847, 61st Congress, 3d Session, Vol. I, page 74.]

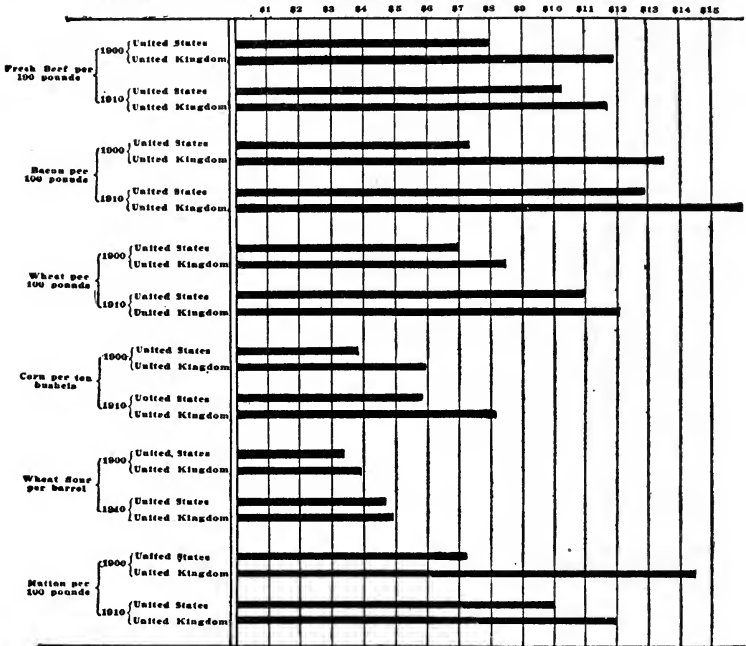
	Wages per hour, 1900.		Wages per hour, 1907.	
	United States.	United Kingdom.	United States.	United Kingdom.
Blacksmiths	\$0.25	\$0.16½	\$0.33	\$0.17
Bricklayers .....	.47	.19	.63	.19
Carpenters .....	.30½	.18½	.43	.18½
Compositors .....	.41	.20	.53	.21½
Machinists .....	.25	.16	.30½	.17
Plumbers .....	.33	.18	.56	.18½

The same facts are graphically shown in the charts which follow:

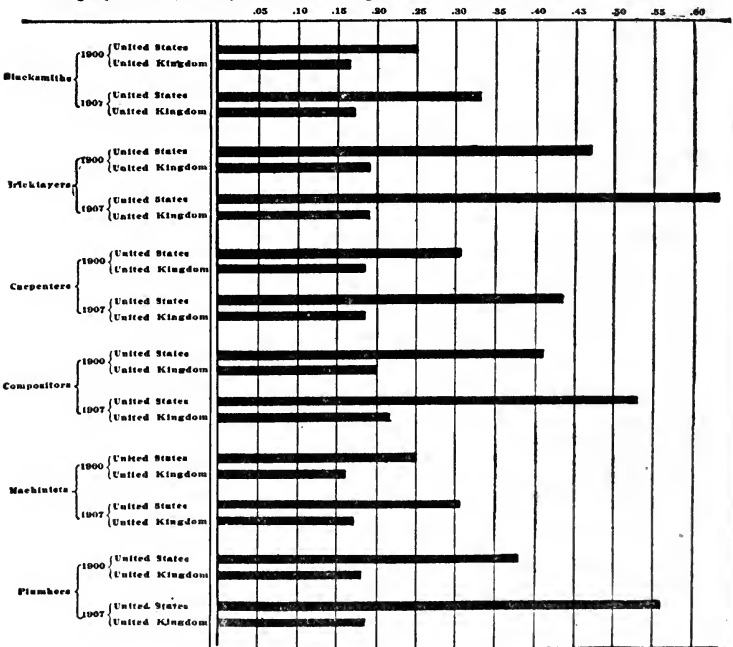
A nation like that of the United States, with eighty millions of people, with resources unexampled in the history of the world, with ideals as high as those of any nation, with the earnest desire to spread the principles of liberty and of popular government, cannot maintain a position of isolation with respect to the peoples of the world when fate shall have thrust some of those peoples under our control.—Hon. Wm. H. Taft, at Cleveland, Ohio.

LABOR.

Prices of Food [wholesale] in London, England, and in the United States, 1900 and 1910



Wages per Hour (in cents) in the United Kingdom and in the United States, 1900 and 1907



The Republican party was dedicated to freedom forty-four years ago. It has been the party of liberty and emancipation from that hour; not of profession but of performance.—President McKinley, at Canton, July 12, 1900.

The table which follows shows the retail prices of bacon, beef, ham and coffee in 1910 in American and English cities, compiled from official sources:

Retail prices of food in the United States and in the United Kingdom, 1910.

[Compiled from Senate Document No. 847, 61st Congress, 3d Session, Vol. I, pp. 45 to 52.]

United States.	Retail price in 1910.	United Kingdom.	Retail price in 1910.
Bacon:		Bacon:	
Washington, D. C.-----	\$0.20 to \$0.25	London—Best Irish, English or Con- tinenta1-----	\$0.18 to \$0.28
New York—Ferris' boneless strips-----	.26	Birmingham—Smoked Wiltshires-----	.16 to .24
Boston—5-pound strips-----	.22	Liverpool—Best Irish-----	.14 to .24
Breakfast-----	.22	Manchester—Plain-----	.18 to .24
Detroit, Mich.-----	.18 to .20		
Beef:		Beef:	
New York—Prime rib-----	.20 to .22	London—Prime cut-----	.24
Sirloin steak-----	.22	Sirloin, prime-----	.22
Round steak-----	.20	Beef steak-----	.20
Baltimore, Md.—Sirloin-----	.18	Birmingham—Sirloin-----	.20
Roast, prime rib-----	.20 to .22	Ribs of beef, chine-----	.20
Detroit, Mich.—Prime rib roast-----	.11 to .12	Manchester—Ribs, best cut-----	.17
Sirloin steak-----	.12½ to .14	Sirloin-----	.21
Ham:			
New York—Ferris' city cured-----	.20		
Baltimore—Whole-----	.20		
Washington, D. C.-----	.20		
Detroit, Mich.-----	.15½ to .17		
Coffee:		Ham	
Baltimore, Md.-----	.16 to .18	London—Irish-----	.20 to .28
Rio-----	.31	Liverpool—Irish-----	.22 to .24
Java-----	.18	Manchester—Whole-----	.17
Maracabo, pulverized-----	.33		
Java and Moca-----	.33	Coffee:	
Old Government-----	.33	London—Roasted-----	.33
Mocha-----	.33	Birmingham—Whole berries-----	.28 to .45
		Ground, pure-----	.28 to .45
		Ground, mixed-----	.24 to .32
		French-----	.20 to .36

In discussing the comparison of English and American conditions as presented in the British report on the cost of living in American towns above mentioned, an American reviewer recently said: (a) "While these precise figures must be taken with broad qualifications, the conclusion that **THE ECONOMIC CONDITION OF THE CLASSES STUDIED IS BETTER IN AMERICA THAN IN ENGLAND** is abundantly confirmed by other evidence. *The American dietary is found to be more liberal and varied than the English, and THE PROPORTION OF INCOME LEFT AFTER PAYING RENT AND FOOD BILLS IS LARGER IN AMERICA.* Indeed, *even the lowest income class of American families spend relatively less of their income upon food and rent than the highest income class of British families.* Thus the American family has a wider margin of income for buying non-necessaries, enjoys a higher standard of living and can save more if so disposed."

(a) W. C. Mitchell, in the Quarterly Journal of Economics, November, 1911.

Summarized statement by The London Times of British Board of Trade Report on comparative wage and living conditions in United Kingdom and United States.

There has just been issued by the board of trade an exhaustive report upon an inquiry made regarding rents and the prices of the necessaries of life and the rates of wages prevailing in the principal industrial towns of the United States. The report itself is prefaced by a summary by Mr. G. R. Askwith, in which it is pointed out that in the towns investigated the rent levels vary greatly, but the New York level on the whole exceeds that of the other towns to a far less extent than the London level exceeds that of the English provincial towns. It appears that the ratio of weekly wages for certain occupations in the United States and England and Wales, respectively, is 243 to 100 in the building trades, 213 to 100 in the engineering trades, 246 to 100 in the printing trades, and 232 to 100 in all the trades together. Allowing for a slight advance in wages in England between October, 1905, when the English figures were taken, and February, 1909, when the American figures were taken, the ratio is reduced to 230 to 100.

The weekly hours of labor were found to be 11 per cent shorter in the building trades in the United States than in England and Wales, and 7 per cent shorter in the printing trades, but 6 per cent longer in the engineering trades, the ratio in all occupations being 96 to 100.

As regards rents, the American workman pays on the whole a little more than twice as much as the English workman for the same amount of house accommodation, the actual ratio being 207 to 100, the minimum of the predominant range of rents for the United States towns as a whole exceeding by from 50 to 77 per cent the maximum of the range for towns in England and Wales for dwellings containing the same number of rooms.

Extracts from letters of Samuel Gompers, President of the American Federation of Labor, referring to housing conditions abroad.

"The housing of the wageworkers of the various European countries as compared with that of the same class in America would, in order to bring out the full truth, require a long and faithful study. When the facts were ascertained the real point remaining would be how to present them in order to create an exact impression of the truth. Besides, in making comparisons, a difficulty would be in fixing an American standard. Conditions exist in a few American cities, such as New York and Pittsburgh, representing neither European nor American standards, but what are created through the transition of the most helpless of our newly arrived immigrants from a state, perhaps, more miserable than that in which they lived in their native countries to a level equal to the financially lowest that is permanent among the American-born citizens. Looking at the housing problem wisely, the greatest fact in favor of America is space. The workingman in the country towns and in the cities smaller than those in which the foreign population is congested can rent or perhaps buy a separate home. In general, Europe does not give this opportunity. For example, Bremen is the only considerable city in Germany which has small single-family houses adapted to the needs of working people. Only the big tenement house, except in rare cases, is to be found in other cities. The wage earner in them is regarded as permanently a rent payer, an animal in a stall in a five, six, or seven-story stable. No; not one animal in one stall—not so good as that—whole families or a herd of lodgers live in one of the stalls.

* * * * *

"In no city in Europe did I find rents any cheaper, wages considered, than they run in Philadelphia, Baltimore, Louisville, or in the New England towns not having a boom, or even in many cities of the Mississippi Basin. What strikes the American is how little the European renting wage-worker gets for his money.

Very seldom indeed has he a bit of garden; he takes a poor water service for granted; his rooms are fewer and smaller than is ordinarily the case of an American house. The rent payer is usually a rent payer for life. No institution of the proportion of the American building and loan association exists in any European country. The movement of large masses from the position of rent payers to that of householders has been characteristic of America. European philanthropists, statesmen, and cooperators are at the present time endeavoring to establish the necessary methods to bring about the same results.

* * * * *

"The European working classes, however, neither hire servants nor buy articles of luxury except in rare cases. The struggle for a barely decent living is ever before them. Their necessary annual family "budget" comprises plain and cheap food, which, on the average, takes 40 to 65 per cent of the entire outlay, quarters in either an "industrial" or "slum" district requiring 20 to 35 per cent, and clothing 10 per cent or more. These percentages must be indefinite, depending as they do upon the size of the family, on earnings, and on climate, and even the government. Mentally contemplating the many cities I visited and, having in mind the conversations I had with workingmen who had lived both in Europe and America, I believe I may assert that whether the cost of living in Europe or America is greater to the workingman depends entirely on the standard of living he adopts while in America. If he voluntarily lives the life of self-denial in this country that he compulsorily lived in his native land, his outlay of money will remain about the same. Even then he will hardly be able to escape gaining something from the superior supply of the good things in life in America.

"If I am called on to name one of the good things which is conspicuous, I reply: "Our common schools for the workers' children," and as I write the words I hear again the enthusiastic sentiments on this point uttered in my presence by Italians, Bohemians, Austrians, and Irishmen. "To think," they say, "your country gives even the schoolbooks free."

"Living is cheap to the wageworker in Europe only because he does without what in America soon becomes a necessity to him—food in good quantity and quality, presentable clothes among his aspiring fellow workmen and their families, and a comfortably furnished home in quarters responding to his awakened desires for equality with his American neighbors, and in general a larger and freer life."

PRESIDENT TAFT ON EMPLOYERS' LIABILITY AND WORKMEN'S COMPENSATION.

The following message sent to Congress by President Taft on February 20, 1912, illustrates his attitude of earnest, thoughtful interest in the welfare of labor:

To the Senate and House of Representatives:

I have the honor to transmit herewith the report of the Employers' Liability and Workmen's Compensation Commission, authorized by joint resolution No. 41, approved June 25, 1910, "To make a thorough investigation of the subject of employers' liability and workmen's compensation, and to submit a report through the President to the Congress of the United States."

The commission recommends a carefully drawn bill, entitled "A bill to provide an exclusive remedy and compensation for accidental injuries resulting in disability or death to employees of common carriers by railroads engaged in interstate or foreign commerce, or in the District of Columbia, and for other purposes." This bill works out in detail a compensation for accidental injuries to employees of common carriers in interstate railroad business, on the theory of insuring each employee against the results of injury received in the course of the employment, without reference to his contributory negligence, and without any of the rules obtaining in the common law limiting the liability of the employer in such cases. The only case in which no compensation is to be allowed by the act is where the injury or death of the employee is occasioned by his willful intention to bring about the injury or death of himself or of another or when the injury results from his intoxication while on duty.

It is unnecessary to go into the details of the bill. They are, however, most admirably worked out. They provide for a medical and hospital service for the injured man, for a notice of the injury to the employer, where such notice is not obviously given by the accident itself; for the fixing of the recovery by agreement; if not by agreement, by an official adjuster, to be confirmed by the court, and, if a jury is demanded, to be

passed on by a jury. The amount of recovery is regulated in proportion to the wages received and the more or less serious character of the injury where death does not ensue, specific provision being made for particular injuries in so far as they can be specified. The compensation is to be made in the form of annual payments for a number of years or for life. The fees to be paid to attorneys are specifically limited by the act. The remedies offered are exclusive of any other remedies. The statistical investigation seems to show that under this act the cost to the railroads would be, perhaps, 25 per cent more than the total cost which they now incur.

The report of the commission has been very able and satisfactory, the investigations have been most thorough, and the discussion of the constitutional questions which have arisen in respect to the validity of the bill is of the highest merit.

Three objections to the validity of the bill, of course, occur:

In the first place, the question arises whether under the provisions of the commerce clause the bill could be considered to be a regulation of interstate and foreign commerce. That seems to be already settled by the decision of the Supreme Court in the employers' liability case.

The second question is whether the making of these remedies exclusive and the compelling of the railroad companies to meet obligations arising from injuries, for which the railroad would not be liable under the common law, is a denial of the due process of law which is enjoined upon Congress by the fifth amendment to the Constitution in dealing with the property rights. This question the report takes up, and in an exhaustive review of the authorities makes clear, as it seems to me, the validity of the act. This is the question which in the Court of Appeals of the State of New York was decided adversely to the validity of the compensation act adopted by the legislature of that State. How far that act and the one here proposed differ it is unnecessary to state. It is sufficient to say that the argument of the commission is most convincing to show that the police power of the Government exercised in the regulation of interstate commerce is quite sufficient to justify the imposition upon the interstate railroad companies of the liability for the injuries to its employees on an insurance basis.

The third objection is that the right of trial by jury, guaranteed by the seventh amendment, is denied. As a matter of fact, the right is preserved in this act by permitting a jury to pass on the issue when duly demanded, in accordance with the limitations of the act.

I sincerely hope that this act will pass. I deem it one of the great steps of progress toward a satisfactory solution of an important phase of the controversies between employer and employee that has been proposed within the last two or three decades. The old rules of liability under the common law were adapted to a different age and condition and were evidently drawn by men imbued with the importance of preserving the employers from burdensome or unjust liability. It was treated as a personal matter of each employee, and the employer and the employee were put on a level of dealing, which, however it may have been in the past, certainly creates injustice to the employee under the present conditions.

One of the great objections to the old common-law method of settling questions of this character was the lack of uniformity in the recoveries made by injured employees and by the representatives of those who suffered death. Frequently meritorious cases that appealed strongly to every sense of human justice were shut out by arbitrary rules limiting the liability of the employer. On the other hand, often by perjured evidence and the undue emotional generosity of the jury, recoveries were given far in excess of the real injury, and sometimes on facts that hardly justified recovery at all. Now, under this system the tendency will be to create as nearly a uniform system as can be devised; there will be recoveries in every case, and they will be limited by the terms of the law so as to be reasonable.

The great injustice of the present system, by which recoveries of verdicts of any size do not result in actual benefit to the injured person because of the heavy expense of the litigation and the fees charged by the counsel for the plaintiff, will disappear under this new law, by which the fees of the counsel are limited to a very reasonable amount. The cases will be disposed of most expeditiously under this system, and the money will be distributed for the support of the injured person over a number of years, so as to make its benefit greater and more secure.

Of course the great object of this act is to secure justice to the weaker party under existing modern conditions, but a result hardly less important will follow from this act that I can not fail to mention.

The administration of justice to-day is clogged in every court by the great number of suits for damages for personal injury. The settlement of such cases by this system will serve to reduce the burden of our courts one-half by taking the cases out of court and disposing of them by this short cut. The remainder of the business in the courts will thus have greater attention from the judges, and will be disposed of with much greater dispatch. In every way, therefore, the act demands your earnest consideration, and I sincerely hope that it may be passed before the adjournment of this session of Congress.

WILLIAM H. TAFT'S RELATIONS TO UNION LABOR.

No class of citizens is more deeply interested in the records of Presidential candidates than union workmen. They want the simple facts with regard to each man, and it is especially incumbent upon them not to form opinions on insufficient evidence, and to consider whether a candidate's record is one of achieve-

ment or only of promise. Actions may not be more eloquent than words, but they are more convincing. Trade unionists, like other people, will never know their friends until they put them upon trial; and when a man is tried he should be judged by his whole course of action, and not by one isolated event over which there may be a difference of opinion even among trade unionists. If the candidate has had opportunity to do things, has he done them? And in the doing, has he been fearless and fair towards all classes of citizens? For trade unionists want neither charity nor favor; they want opportunity and justice.

Next to the churches and the schools, trade unionism has done much to raise the standard of American citizenship. It has said: "Suffer little children to come into the school house and the church and not into the factory and mine," and it has given to their progenitors higher wages, shorter hours, more sanitary conditions of living and greater security to life and limb—all of which has been shared by union and non-union workers; that is to say, the union workers have fought the battles, carried the burdens and made the sacrifices, and society as a whole has benefited. It has said: "The laborer is worthy of his hire, even though the laborer be a woman." It has at times been led by bad men, but the organization that is composed of saints has not yet taken out its charter. It has made mistakes, but the man or the institution that does not make mistakes does not make anything. This is no argument, however, in favor of the making of heedless blunders, and a blunder would be made if one who has successfully met many public trusts and discharged duties of a high national and international significance, and who has ever been prompted by motives of the highest regard for the welfare of the producing people of this nation, should be credited by organized labor as being now, or ever having been, inimical to their interests. Secretary Taft's whole public career, and it is an extensive one, contains no incident in which he has ever, by word or act, arrayed himself against the principles of trade unionism. On the contrary, he has been its consistent friend and advocate. His record shows that not only were his sympathies with the organization, but that his actions were those of a friend many years before either he or the American people had thought of him as a Presidential possibility.

Misquoted and unjustly Judged.

Probably no judge has ever been more misquoted and unjustly judged by trade unionists than Judge Taft. His many decisions in favor of labor organizations have been minimized to such an extent that one is prompted to inquire if those who have exploited his record before labor organizations were not more interested in the welfare of some political party than in the interests of their labor organizations. Trade unionists should stand together, without regard to party, in contending for everything that will legitimately advance their principles, and should credit an honest judge with doing his duty, even though his decisions be adverse to them, so long as they are in accordance with the law of the land. His decisions, of course, may not voice the opinion of the judge; *he does not make the law*. On the other hand, there is no decision by Judge Taft that can be cited that indicates personal antipathy or a personal unfriendliness on his part to labor organizations.

Some of the Public Actions of William H. Taft Especially Helpful to Organized Labor.

The words of Judge Taft in the Arthur and Phelan cases, in 1893-4, setting forth the rights of labor organizations under the law, were invoked and applied in favor of labor unions in the case of the strike on the Wabash Railroad in 1903, and an injunction against the union dissolved.

In 1894, in adjudging Phelan guilty of contempt for disobeying the injunction secured to prevent interference with the operation of the Cincinnati-Southern Railway and to keep open

interstate commerce, Judge Taft, in determining the limits of labor organizations, made a notable statement of the extent of the rights of labor which has since been frequently and successfully quoted by those contending in the interests of union labor.

In 1899 Judge Taft became the champion of the cause of union labor in the *Narramore* case, and as a judge of the U. S. Circuit Court of Appeals, reversed the decision of the court below and wrote an opinion that has finally become, in spirit and in letter, the established law not only of Ohio, but of the nation. He took an impregnable position against precedents and numerous decisions which had declared, in effect, that, where an employer was violating the law with regard to the use of safety appliances, an injured workman could not recover damages because he was supposed to know of the violation, and to assume all risks consequent thereto.

As Governor-General of the Philippines, he encouraged the organization of workmen into unions that should be organized on American lines, and pardoned a labor leader who had been convicted under an old Spanish law for "conspiring to raise the wages of labor."

As Governor-General Mr. Taft refused to accede to the demands of corporations and other employers to permit the introduction of cheap Chinese labor into the islands, and unequivocally declared himself against bringing the workmen of our new dependencies or those in our own land, into competition with the cheaper labor of the civilizations lower than our own.

Mr. Taft's Decisions Relative to Labor.

Frederick N. Judson, the attorney for the Reading Brotherhood in the *Wabash* case, says:

"There is no foundation, therefore, for the suggestion that the decisions of Judge Taft were in any sense unfriendly to labor."

One should read in the *Review of Reviews* for August, 1907, what Mr. Judson says of the whole series of Judge Taft's labor decisions. The first of these decisions was delivered by Judge Taft in 1890 in the case of *Moore vs. Bricklayers' Union et al.* This case involved the application of the law to what is known as a secondary boycott; that is, *a boycott not against an employer, but against a third party dealing with an employer*, who is a stranger to the controversy between the employer and the employee.

Moore had sold lime to the employer, Parker Brothers, who had been boycotted by the union. Parker Brothers had been boycotted because of their refusal to pay a fine imposed upon one of their employees and to reinstate a discharged apprentice. Moore, the plaintiffs, had been awarded damages by the jury on account of this secondary boycott, and it was this judgment of damages that was affirmed on appeal in an opinion by Judge Taft. This decision has been accepted as the correct exposition of the law; and the secondary boycott, that is, a boycott against a stranger to the trade dispute, has been practically abandoned by intelligent labor unionists as an unreasonable weapon. In other words, it has been conceded by the ablest labor leaders that it is not good policy to punish one's friends—employers who are running union shops—for the purpose of defeating one's enemies.

The labor decisions of Judge Taft while on the Federal bench related directly to the Federal character of such controversies, involving the power of the Federal Government to protect interstate commerce. There were only two such cases decided by him. The first of these was decided April 3, 1893, and was in the matter of the strike of the engineers of the Toledo and Ann Arbor railroad. The engineers on strike refused to handle cars from complainants' road as long as the strike of the engineers on that road was unsettled. It is obvious that this action involved a paralysis of the business of interstate commerce. The Toledo road thereupon applied for an injunction against the connecting roads, alleging a combination violative of the interstate commerce act. Judge Taft's decision sustaining the injunction was

accepted by the Railroad Brotherhood as a fair statement of the law under the peculiar conditions of the railroad service.

In the following year, 1894, came the great railroad strike inspired by the American Railroad Union, growing out of the strike of the Pullman employees at Pullman, Illinois. The officials of the union demanded all railroads to boycott Pullman cars and to declare a strike of employees on any railroad on their refusal to declare such a boycott. The Cincinnati Southern, an interstate railway, was in the hands of a receiver, and it applied to the court for protection against one Phelan (a Socialist), an official of the American Railway Union, who was engaged in inciting a strike among the employees of the road. There was no complaint by the employees of this road. The demand was that all traffic should be suspended and business paralyzed, union shops closed, and union industries destroyed, if necessary, until all the roads should consent not to carry Pullman cars. The purpose was to starve the public into compelling the Pullman Company to do something which the public had no right to compel it to do, and in the doing of this to inflict irreparable injury upon many industries employing union workmen and working union hours. If the unions had won in this strife, would not the price have been too great for the object attained? Phelan had used language defying the order of the court. After a hearing he was adjudged guilty of contempt in an opinion by Judge Taft, who at the same time emphasized the fact that employees had the right to quit their employment, but that they had no right to *combine to injure their employer in order to compel him to withdraw from a mutually profitable relation with a third party for the purpose of injuring the third party*, when the relation thus sought to be broken had no effect upon the character or reward of their services. But as the purpose of the combination was to tie up interstate railroads, not as the incidental result of a lawful strike for the betterment of the employees' own condition, but as a means of injuring a third party, it was an unlawful combination violative of the anti-trust act of 1890. Thus, if Phelan had urged a strike for higher wages, or to prevent the lowering of wages, he would not have been liable for contempt, but he had no right to incite men to quit when they had no grievance of their own to redress, for it was then essentially a boycott and not a strike.

The words of Judge Taft in the Phelan case, setting forth the rights of labor organizations under the law, were invoked and applied in favor of the labor unions in a notable case, that of a strike on the Wabash Railroads by the Brotherhoods of Railroad Trainmen and Firemen in 1903. The two brotherhoods, after failing to secure the advance wages and betterment of conditions demanded, had called a strike, and thereupon an injunction was filed by the railroad company against the officers of the brotherhoods. *The rights of organization and of representation, as set forth by Judge Taft, were made the basis of the argument by the attorney representing the brotherhoods, and the injunction was dissolved.* It was said in the opinion rendered by Judge Adams that on the subject of the organization of labor and the rights of labor unions no one had spoken more clearly and acceptably than Judge Taft.

The "Assumed Risk" Decision.

One of the most notable services that Judge Taft rendered to organized labor while presiding over a court was with relation to "assumed risk" and "contributory negligence" on the part of a workman attempting to recover damages from an employer for injuries received while in the service of the latter. In 1895 the Supreme Court of Ohio, consisting of six judges, decided that Morgan, a coal miner, could not recover damages for injuries received in the explosion of fire damp, notwithstanding the fact that the State required the mine owners to keep their mines free of fire damp; that Morgan knew the company ignored the law, and therefore in accepting service with them he could not recover damages. A similar decision had been made in several

other States. Judge Speer, who wrote the opinion in the Morgan case, said:

"One who voluntarily assumes a risk thereby waives the provision of the statute made for his protection."

Under this decision only a law-observing employer was liable to damages. The labor organizations introduced a bill in the General Assembly of Ohio to abolish this doctrine of assumed risk, but through the power of the railroads and other corporations and large employers it was referred to a hostile committee and there buried.

And now we come to the Narramore case, in which Judge Taft became the champion of the injured workman, and wrote a decision that, notwithstanding reversals in the higher courts and the bitter opposition of those who were opposed to abrogating the old doctrines, finally became in spirit and in letter the established law not only of Ohio, but of the nation.

Narramore was a brakeman. His foot became tightly wedged in an unblocked frog, which was left open contrary to the law of the State, and he was run down by a train and left a cripple, with a wife and children to support. The company was indifferent to the sufferings of the man and his family, and a suit was filed. The decision was against him, the railroad basing its defense on the decision in the Morgan case. The court in substance said that Narramore knew that the company violated the law with regard to blocking of frogs; that this violation was so flagrant and open that Narramore was bound to know of it; and that even though he was free from fault himself, still he had no case, as he had assumed the risk of working under the conditions as he saw them. Narramore's case was then carried to the United States Circuit Court of Appeals, presided over by Judge William H. Taft. Here at last was a judge who was broad enough to look beyond the moldy precedents of the dark ages. He overthrew the barbarous doctrine of "assumed risk," and gave to the workman in every dangerous vocation the rights that had so long been withheld from him. This decision of Judge Taft was the advance agent of blocked frogs, covered cogwheels, and guarded machinery. It eventually led to the resurrection of all the laws of Ohio that had been enacted for the protection of working men and women and which had been nullified by the action of the Supreme Court in the Morgan case. He said in part:

"The intention of the legislature of Ohio was to protect the employees of railways from injury from a very frequent source of danger by compelling the railway company to adopt a well-known safety device. And although an employee impliedly waives a compliance with the statute and agrees to assume the risk from unblocked frogs and switches by continuing in the service without complaint, *this court will not recognize or enforce such agreement*. The impositions of a penalty for the violation of a statute does not exclude other means of enforcement, and to permit the company to avail itself of such an assumption of risk by its employees is, *in effect, to enable it to nullify a penal statute, and is against public policy.*"

Judge Taft was overruled, but the fight based on his opinions was continued until satisfactory statutes were secured.

The Federal Courts and Organized Labor.

As early as August 28, 1895, in an address delivered before the American Bar Association at Detroit, Michigan, he said:

" * * Though the law of supply and demand will doubtless, in the end, be the influence of fixing this division (between capital and labor), yet during the gradual adjustment to the changing markets and the varying financial conditions, *capital will surely have the advantage, unless labor takes united action*. During the betterment of business conditions, organized labor, if acting with reasonable discretion, can secure much greater concessions in the advance of wages than if it were left to the slower operation of natural laws, and, in the same way, as hard times come on, the too eager employer may be restrained from undue haste in reducing wages. The organization of capital into corporations, with the position of advantage which this gave in a dispute with single laborers over wages, made it absolutely

necessary for labor to unite to maintain itself. For instance, how could workingmen, dependent on each day's wages for living, dare to take a stand which might leave them without employment if they had not by small assessments accumulated a common fund for their support during such emergency.

"The efficacy of the processes of a court of equity to prevent much of the threatened injury from the public and private nuisances which it is often the purpose of the leaders of such strike to cause, has led to the charge, which is perfectly true, that judicial action has been much more efficient to restrain labor excesses than corporate evils and greed. If it were possible by the quick blow of an injunction to strike down the conspiracy against public and private rights involved in the corruption of a legislature or a council, Federal and other courts would not be less prompt to use the remedy than they are to restrain unlawful injuries by labor unions. *But I have had occasion to point out that the nature of corporate wrongs is almost wholly beyond the reach of courts, especially those of the United States. The corporate miners and sappers of public virtue do not work in the open, but under cover; their purposes are generally accomplished before they are known to exist, and the traces of their evil paths are destroyed and placed beyond the possibility of legal proof. On the other hand, the chief wrongs committed by labor unions are the open, defiant trespass upon property rights and violations of public order, which the processes of the courts are well adapted both to punish and prevent.*"

The operation of the interstate commerce law is an illustration of the greater difficulty courts have in suppressing corporate violations of law than those of trade unions. The discrimination between shippers, by rebates and otherwise, which it is the main purpose of the law to prevent, is almost as difficult of detection and proof as bribery, for the reason that both participants are anxious to avoid its disclosures; but when the labor unions, as they sometimes do, seek to interfere with interstate commerce and to obstruct its flow, they are prone to carry out their purposes with such a blare of trumpets and such open defiance of law that the proof of their guilt is out of their own mouths. The rhetorical indictments against the Federal courts, that from that which was intended as a shield against corporate wrong, they have forged a weapon to attack the wage-earner, is in this way given a specious force which a candid observer will be blind to ignore.

As a matter of fact there is nothing in any Federal decision directed against the organization of labor to maintain wages and to secure terms of employment otherwise favorable. The courts, so far as they have expressed themselves on the subject, recognize the right of men for a lawful purpose to combine to leave their employment at the same time, and to use the inconvenience this may cause to their employer as a legitimate weapon in the frequently recurring controversy as to the amount of wages. It is only when the combination is for an unlawful purpose and an unlawful injury is thereby sought to be inflicted, that the combination has received the condemnation of the Federal as well as of State courts.

Mr. Taft's Labor Record in the Philippines.

And now let every trade unionist follow Mr. Taft into the Philippines, and from the report of some of labor's most trusted representatives learn the truth; learn whether Governor-General Taft fitly represented the best that there is in our American civilization. If so, he relied not only upon the churches and the introduction of public schools to uplift a dependent people, but he encouraged the organization of unions on American lines to aid in the great work. No class of men will resent being imposed on more quickly than union workers, and those who have held up Mr. Taft as opposed to organized labor must now take the condemnation that honest men place upon falsifiers. He wants no favors; he wants what every self-respecting trade

unionist wants—justice, and he will get it from organized labor when the truth is illuminated and they understand him and know his record.

Mr. Edward Rosenberg, of San Francisco, was appointed by the American Federation of Labor a special commissioner to investigate labor conditions in the Far East. His reports were printed in the October and December (1903) numbers of the American Federationist, the official organ of the American Federation of Labor. The contrast between the deplorable conditions of the wage-earner in the Hawaiian Islands and the satisfactory state of affairs introduced by the administration of Governor-General Taft in the Philippines is well brought out by Mr. Rosenberg's exhaustive study. In the December (1903) American Federationist, he says:

"I would say that * * the plea of the Europeans and Americans for Chinese labor is prompted by the desire to quickly enrich themselves with the aid of cheap Mongolian labor. * *

"If, on the other hand, *the present policy of the Government is continued*; if Chinese are excluded; if opportunity is given to labor to better its condition by the aid of trade unions; if children are educated along American lines, and if the greed of European and American adventurers is not allowed to rule the Philippine Islands as it now rules the Hawaiian Islands, the American people in another generation will be able to point with justifiable pride to the success of democratic institutions among an Asiatic people, and forget in these achievements the injustice by the conquest of arms of the Philippine Islands."

With regard to conditions in the Philippines as inaugurated and maintained by Governor Taft, Mr. Rosenberg further says (American Federationist, October, 1903):

"The civil government is slowly but steadily proving to the Filipinos that American rule is really trying to make the Filipinos as fit for self-government as the American people are; that the purpose of American rule is not the exploitation of the natives, but their elevation. Should Chinese be allowed in here and the inevitable lowering of the already low wages take place, *the work of the Commission would be undone*, and where now hope of a better day is springing up in the hearts of the natives, sullen despair and dangerous resentment would take its place.

"My investigations as to the present system of exclusion, carried on under the law of April 20, 1902, shows that so far as it is known it effectively excludes the Chinese. * *

"*The trade unions constitute a great moving force for the betterment of the conditions in these islands. With their aid wages have been raised and many abuses abolished*, and though the present system is crude and faulty, steps are now being taken to place it on the well-trying trade union lines as adopted in the United States and affiliate the movement here with the American Federation of Labor. * * In June, 1899, the Filipino workers of Manila made the first attempt to organize trade unions. In a short time unions of barbers, cigar makers, tobacco workers, clerks, carpenters, wood workers, printers, lithographers, and others were formed. No attempt at federation was made until the return from Spain of Isabelo de los Reyes in June, 1901. Reyes had been banished from Spain by the Spanish Government for urging reforms in the islands. He quickly succeeded in federating the respective unions, and was chosen President. He held this position for a little over a year. Many unions were organized during the period, the number of unions in June, 1902, being 150, with a membership estimated at 20,000. * *

"The local American press and employers of labor generally denounced Reyes, resulting in his being charged, under an old Spanish law, 'with conspiring to raise wages of laborers.' In September, 1902, he was found guilty and sentenced to four months in jail. *He served two months and was then pardoned by Governor Taft.*"

Governor Taft pardoned the man not because he was not properly convicted under the law, but because, as he said:

"The statute is not in accordance with modern American views. The right of laborers to unite for the purpose of enhancing labor by withdrawing from the employment of those who make the demand for labor is generally conceded under American jurisprudence. In the new criminal code * * the American rules of jurisprudence are recognized, and no combination merely to enhance labor can be wrongful because of the excessive price requested or of the number engaged in the combination. For this reason, and because I do not think the statute as construed to be in accordance with American principles, I shall pardon Isabelo de los Reyes and remit what remains of his sentence."

Mr. Rosenberg speaks of a personal meeting with Governor Taft. What he says is now of particular significance, in view of the charge that some have made that Mr. Taft only became favorable to organized labor after he became a candidate for the Presidency. The quotation from Mr. Rosenberg's report follows:

"On June 21 Governor Taft returned from Baguio, the summer

capitol of the civil government, and on the 23rd I had an interview with him, desiring to know the attitude of the Governor toward the organization of the workers. He said he favored the organization of the workers in trade unions, and had so stated, but that the Union Obrera Democratica de Filipinas of late had only harmed the cause of the workers, and the courts had to interfere. He wished success to the present movement to organize the workers on proper trade union lines. He referred me also to certain portions of his report for the year ending October 1, 1902. I quote the following from Governor Taft's report:

"During the year 1902 there has been a movement for the organization of labor in the city of Manila, which doubtless will spread to other parts of the islands. It has been regarded, because of abuses which crept in, as an unmixed evil. I can not think it to be so. If properly directed, it may greatly assist what is absolutely necessary here, to wit, the organization of labor and the giving to the laboring class a sense of the dignity of labor and of their independence. The labor organizations in the city of Manila are very much opposed to the introduction of Chinese labor, and their declaration upon this point will find ready acquiescence in the minds of all Filipinos with but few exceptions. *The truth is that, from a political standpoint, the unlimited introduction of the Chinese into these islands would be a great mistake. I believe the objection on the part of the Filipinos to such a course to be entirely logical and justified.* The development of these islands by Chinamen would be at the expense of the Filipino people, and they may very well resent such a suggestion."

Blacklisted Laborer Should be Allowed Injunction.—Injury of Railway Employees.

At the close of Mr. Taft's speech before Cooper Institute in New York City on January 10, 1908, among other questions he was asked the following:

"Why should not a blacklisted laborer be allowed an injunction as well as a boycotted capitalist?"

Mr. Taft promptly answered:

"He ought to be, and if I was on the bench I would give him one mighty quick."

In Mr. Taft's speech at Columbus, Ohio, on August 19, 1907, he said, with regard to the injury of railway employees:

"The frightful loss of life and limb among the railway employees of this country, reaching more than 4,000 killed and 65,000 injured in one year, has properly attracted the attention of Congress and the legislatures. It makes apparent that service in connection with trains of a railway is an extra hazardous business and may well call for Government supervision and exceptional rules to secure the safety of the passengers and reduce the danger to employees."

With regard to a statutory rule for liability of interstate railways to employees, he said:

"Finally, it has regulated the rules for liability of an interstate railway company to an employee injured in its service. This is a most important measure, for an unfortunate lack of uniformity has existed heretofore in respect to the rules of liability in such cases, dependent on the court in which the case has been tried. The new statute makes everything uniform as to interstate railroads. It has introduced into the Federal law what is called the comparative negligence theory by which, if an employee is injured, proof of negligence on his part does not forfeit his claim for damages entirely unless the accident was due solely to his negligence. If there was negligence by the company, the jury is authorized to apportion the negligence and award compensation for the proper part of the damages to the employee and the question of negligence is always for the jury.

"The most important provision of this law, however, is that abolishing what is known as the fellow-servant rule, by which an employee injured cannot recover from his employer for injury sustained through negligence of a co-employee. This rule was incorporated into the law by Chief Justice Shaw of Massachusetts, on the ground of public policy. It was acquiesced in by the courts of England and of this country. *Wherever may have been the wisdom of the rule originally, a change of conditions justifies its abrogation.*"

MR. TAFT'S ANSWERS, JANUARY 6, 1908, TO QUESTIONS PROPOUNDED BY THE PRESIDENT OF THE OHIO FEDERATION OF LABOR.

Approves Defining Parties' Rights.

"I see no objection to the enactment of a statute which shall define the rights of laborers in their controversies with their former employers. As this statute would fix the lawful limits of their action, it would necessarily furnish a definite rule for determining the cases in which injunctions might issue, as well as their character and scope. It should be said that this statute, however, if enacted by Congress, could relate only to the District of Columbia or some place within the exclusive jurisdiction of the Federal government, or to those employers and employees whose relations are within congressional definition and control."

"Generally, the law governing the relation between employer and employee is a State law and is only enforced in the Federal courts when the jurisdiction arises by reason of the diverse citizenship of the parties. Speaking generally, however, both as to Federal and State legislation, I see no objection to a statute which shall, so far as possible, define the rights of both parties in such controversies more accurately. Indeed, the more exactly the lawful limitations on the actions of both parties are understood, the better for them, and for the public."

Hearing Before an Injunction.

"Second. You ask me what I think of a provision that no restraining order or injunction shall issue, except after notice to the defendant and a hearing had. This was the rule under the Federal statute for many years, but is was subsequently abolished. In the class of cases to which you refer I do not see any objection to the re-enactment of that Federal statute. *Indeed, I have taken occasion to say in public speeches that the power to issue injunctions ex parte has given rise to certain abuses and injustice to the laborers engaged in a peaceable strike.* Men leave employment on a strike; counsel for the employer applies to a judge and presents an affidavit averring fear of threatened violence and making such a case on the ex parte statement that the judge feels called upon to issue a temporary restraining order. The temporary restraining order is served on all the strikers; they are not lawyers; their fears are aroused by the process with which they are not acquainted; and, although their purpose may have been entirely lawful, their common determination to carry through the strike is weakened by an order which they never have had an opportunity to question, and which is calculated to discourage their proceeding in their original purpose. To avoid this injustice, I believe, as I have already said, that the Federal statute might well be made what it was originally, requiring notice, and a hearing, before an injunction issues."

"Third. In answer to your third question, it would seem that it is unnecessary to impose any limitation as to the time for a final hearing, if, before an injunction can issue at all, notice and hearing must be given. The third question is relevant and proper, only should the power of issuing ex parte injunctions be retained in the court. In such case, I should think it eminently proper that the statute should require the court issuing an ex parte injunction to give the person against whom the injunction was issued an opportunity to have a hearing thereon within a very short space of time, not to exceed, I should say, three or four days."

Might Designate Another Judge.

"Fourth. Your fourth query is, in effect, what would I think of a provision in such cases by which the contemnor—that is, the person charged with the violation of an order of injunction—might object to the judge who issued the injunction as the one

to try the issue whether the injunction had been violated, and to fix punishment in case of conviction, and thereby require another judge to try the issue and impose sentence, if necessary. In Federal courts in such a case it would be proper to provide that the senior circuit judge of the circuit should, upon the application of the defendant or contemnor, designate another district or circuit judge to sit and hear the issue presented. I do not think such a restriction would be unreasonable. In most cases it would be unnecessary. But I admit that there is a popular feeling that in contempt proceedings, and the very name of the proceedings suggest it, that the judge issuing the injunction has a personal sensitiveness in respect to its violation, and therefore that he does not bring to the trial of the issue presented by the charge of contempt of his order the calm, judicial mind which insures justice.

Opposes Jury Intervention.

"I think that this popular feeling is, in most cases, unfounded, but I believe that it is better, where it can be done without injuring the authority of the court and the efficiency of its process, to grant such a privilege to the contemnor and thus avoid an appearance of injustice, even at some inconvenience in the matter of securing another judge. There is some analogy, though it is not complete, between the exclusion of a judge from sitting in the court of appeals to review a decision of his own, which now obtains in the practice of the Federal Court of Appeals, by statute, and the present suggested case. It is of the highest importance that the authority of the court to enforce its own orders effectively should not be weakened, and therefore I am opposed to the intervention of a jury between the court's decree and its enforcement by contempt proceedings. It would mean long delay and greatly weaken the authority of the court.

"I do not think that the permission to change the judge, however, would constitute either serious delay or injure the efficacy of the order, while it may secure greater public confidence in the justice of the court's action. The appearance of justice is almost as important as the existence of it in the administration of courts."

Concluding Remark.

The foregoing facts, coupled with what is more generally known with regard to his great achievements as a jurist and a public official, should appeal to every man of right reasoning in such manner as to convince him that, as President of the United States, Mr. Taft's great intellect and power would be found valiantly contending for the rights of the laboring, producing people.

Mr. Taft's Own Views, Expressed in His Own Words.

Mr. Taft discussed this subject fully and frankly in his speech of acceptance of the nomination for the Presidency, delivered to the Notification Committee, at Cincinnati, July 28, 1908.

THE LABOR DECISIONS OF JUDGE TAFT.

By Frederick N. Judson, Attorney for the Railroad Brotherhood, Reprinted from the August, 1907, Review of Reviews.

The present Secretary of War, Hon. William Howard Taft, has had the exceptional experience of beginning his distinguished public career with judicial service on the State, and thereafter serving on the Federal bench. He was justice of the Superior Court of Cincinnati from 1887 to 1890, and among his immediate predecessors in that court were Hon. Judson Har-

mon, ex-Attorney-General of the United States; Hon. Joseph B. Foraker, ex-Governor and now United States Senator. After some two years' service as Solicitor-General under President Harrison, Mr. Taft was appointed judge of the Circuit Court of the United States, holding that position until 1900, when he resigned to accept the appointment of Governor of the Philippines.

It has been intimated from time to time, though not very definitely, that certain decisions of Judge Taft while on the bench were unfriendly to organized labor. Such suggestion, analyzed in view of the position of the judiciary in our political and judicial system, is really an imputation upon the intelligence of the electorate. A judge does not make the law, nor does he decide cases according to his private judgment of what the law ought to be; but he declares and applies the rules of law to the facts presented as he finds them in the statutes or adjudged precedents, the recorded depositories of the law.

It is true that our unwritten and non-statutory law has been termed judge-made law. But it is only in a very limited sense, if at all, that this expression is applicable to the case of an individual judge. His personality may be impressed upon the development of the law, as that of Judge Taft was doubtless impressed, by the clearness of his grasp of the fundamental principles of the law in their application to new conditions; but his opinions must be in harmony with the current trend of judicial authority, and, in the last analysis, with the advance of an enlightened public opinion. We have had frequent instances in this country where a judge, after leaving the bench, has become a candidate for public office, but very rarely have the judicial decisions of a judge ever been discussed with reference to his availability for a public office. The reason is obvious. The high intelligence of our American electorate recognizes that the judges do not speak their individual judgments, but, in the words of Blackstone, "are the living oracles of the law," who declare and apply the laws of the land.

It is to be assumed, therefore, that Judge Taft decided cases involving the rights and duties of labor and capital, as he decided other cases which came before him, according to the law and facts as presented for determination. It has not been intimated that he did not declare the law correctly, or that his decisions were bad law in any legal sense. What, therefore, is really meant by the suggestion is that the law as declared in certain decisions of Judge Taft was unsatisfactory to certain class interests. While this impersonal position of a judge is clearly recognized, there is so much public interest in questions relating to the legal rights and duties of combinations, both in capital and labor, that the decisions of Judge Taft in this class of cases should be clearly understood, and therefore will be briefly reviewed from a legal and not from a partisan point of view.

Moore vs. Bricklayers' Union et al.

The first of these opinions was delivered by Judge Taft while on the Superior Court bench of Cincinnati in 1890, in the case of *Moore vs. Bricklayers' Union et al.* (23 Weekly Law Bulletin, 48). This case is interesting as involving the application of the law to what is known as a secondary boycott, that is, boycott not against an employer, but against a third party dealing with an employer, who is a stranger to the controversy between the employer and employee.

This was not an injunction suit, nor did it involve any issue between the employees and their employer, either directly or through any refusal to handle in other places the so-called "struck work" from the shop of the employer. It was a secondary boycott pure and simple, in the form of a suit for damages incurred by the plaintiff through a boycott by the Bricklayers' Union, declared on account of the plaintiff's selling lime to the employer, Parker Bros., who had been boycotted by the union. This primary boycott had been declared against

Parker Bros. by the Bricklayers' Union because of their (Parker Bros.) refusal to pay a fine imposed upon one of their employees, a member of the union, and to reinstate a discharged apprentice.

Parker Bros. had brought suit and had recovered damages before a jury in another court against the same defendants on account of this same boycott (21 Weekly Law Bulletin, 223). Moore Bros., the plaintiffs, had been awarded \$2,250 damages by the jury on account of this secondary boycott, and it was this judgment which was affirmed on appeal in an opinion by Judge Taft. The case has become a leading one on the law of boycotting. The rights of legitimate competition in business with the incidental injuries resulting therefrom, as illustrated in the then recently decided Mogul Steamship case in England, was distinguished by Judge Taft from the case then at bar, where the immediate motive of injuring plaintiff was to inflict punishment for refusing to join in the boycott of a third party. Such a motive made the act malicious and legally unactionable in the case of an individual and *a fortiori* in the case of a combination. It was said, after reviewing the English cases: "We do not conceive that in this State or country a combination by workmen to raise their wages or obtain any material advantage is contrary to the law, provided they do not use such indirect means as obscure their original intent, and make their combination one merely malicious, to oppress and injure individuals."

It was further said that a labor union could provide for and impose a penalty against any of their members who refused to comply with such regulations as the association made. They could unite in withdrawing from the employ of any person whose terms of employment might not be satisfactory to them, or whose action in regard to apprentices were not to their liking, but they could not coerce their employer by boycotting him and those who dealt with him; that even if acts of this character and with the intent are not actionable when done by individuals, they become so when they are the result of combination, because it is clear that the terrorizing of the community by threats of exclusive dealing in order to deprive one obnoxious member of means of sustenance would become both dangerous and offensive. This decision, subsequently affirmed by the Supreme Court of Ohio without opinion, has been accepted as the correct exposition of the law, and the secondary boycott, so-called, that is, a boycott against a stranger to the trade dispute, has been practically discontinued and abandoned by intelligent labor unionists as an unwise and unreasonable weapon in such controversies.

Toledo and Ann Arbor Engineers' Strike of 1893.

The so-called labor decisions of Judge Taft while on the Federal bench related directly and primarily to the Federal character of such controversies, in that they involved the supremacy of the Federal power in the protection of interstate commerce. Though there were only two such cases decided by him, the decisions attracted general attention on account of the widespread industrial disturbances in 1893-4.

The first of these cases was decided April 3, 1893, in the matter of the strike of the engineers of the Toledo and Ann Arbor Railroad (54 Fed. Rep., 730). The engineers on strike were members of the Brotherhood of Locomotive Engineers, of which P. M. Arthur was the chief. Under the then rule of the Brotherhood, known as rule twelve, the engineers in the employ of the connecting railroad companies, members of the Brotherhood, refused to handle and deliver any cars of freight from complainant's road as long as the strike of the engineers of that road, who were members of the Brotherhood, was unsettled. It was obvious that this involved practically a paralysis of the business of interstate commerce between the complainant and the defendant railroads. The Toledo road thereupon

applied for an injunction against the connecting roads, alleging the existence of a combination violative of the Interstate Commerce Act preventing the performance of their duties in regard to interstate commerce in the exchange of traffic, and asked the court to enjoin this unlawful interference. A motion was filed by the complainant for a temporary injunction against Mr. Arthur to restrain him from enforcing rule twelve, whereunder the employees of the defendant companies were refusing to handle the cars of the complainant company.

The opinion of the Court by Judge Taft was notable in its clear expression of the power of a court in the issuance of a mandatory preliminary injunction where necessary to prevent irreparable injury. "The normal condition," it was said,—"the *status quo*,—between connecting common carriers, under the Interstate Commerce law is a continuous passage of freight backward and forward between them, which each carrier has a right to enjoy without interruption, exactly as riparian owners have a right to the continuous flow of the stream without obstruction." Usually the *status quo* in the injunction can be preserved until final hearing by an injunction prohibitory in form, but where the *status quo* is not a condition of rest, but of action, the condition of rest, that is, the stoppage of traffic, will inflict irreparable injury not only upon the complainant but the public. In such cases it is only a mandatory injunction compelling the traffic to flow as it is wont to flow which will protect the complainant from injury. The form of the remedy must be adapted to the emergency, and where the continuity of interstate traffic is threatened an injunction mandatory in term is often the only effective remedy.

Still more important was the opinion in its clear analysis of the position of employees of railroads engaged in interstate traffic, and their rights and duties as such employees under the Interstate Commerce Act. The relation of such employees to their railroad companies is one of free contract, and is not analogous to that of seamen in the maritime service, who, to a certain extent, surrender their liberty in their employment and are punishable for desertion. The employment, therefore, in the case of railroad employees, was terminable by either party. The court could not compel the enforcement of personal services as against either the employer or the employed against the will of either. The court said especially was this true in the case of railroad engineers, where nothing but the most painstaking and devoted attention on the part of the employed will secure a proper discharge of his responsible duties; and it would even seem to be against public policy to expose the lives of the traveling public and the property of the shipping public to the danger which might arise from the enforced and unwilling performance of so delicate a service. While a court of equity could not specifically compel the performance of a contract for personal service, it did not follow that there were no limitations upon the right of employees to abandon their employment—that is, as to the time and place of the exercise of such right (see remarks of Supreme Court in *Lemon case*, 166, U. S.), so as to avoid imperiling life or property.

Though the relation of railroad employer and employed was one of free contract, the court also held that while the relation continues they were bound to obey the statute compelling the interchange of interstate traffic, and also bound by the orders of the court enjoining their employer corporation from refusing such interchange. A combination of the employees to refuse, while still holding their positions, to perform any of the duties enjoined by law or by the court upon their employer, would be a conspiracy against the United States and punishable as such.

The court therefore held that the mandatory injunction was properly issued against Arthur, compelling him to rescind the order to the engineers in the employ of the defendant directing them not to handle complainant's freight.

The engineers of the defendant companies had no grievances

against their own employing companies; and their refusal to handle freight of complainant company was in no sense a strike for the betterment of their own conditions of service, and was therefore not a strike but a boycott, and this would necessarily paralyze the movement of interstate traffic.

The effect of this decision was far-reaching. It was the first judicial declaration of the duties of railroad employees in interstate commerce. It was followed in other circuits and was not only approved by the general public, but was accepted by the railroad Brotherhoods as a fair statement of the law under the peculiar conditions of the railroad service. The result was the abrogation of rule twelve by the Brotherhood of the engineers, and since that time, as was signally shown in the extensive railroad strike of the following year, the railroad Brotherhoods, not only the engineers, but the conductors, firemen, and trainmen, have been conspicuous for their conservatism in the adjustment of differences with the management of their respective companies.

The Phelan Contempt Case.

In the following year, 1894, came the great railroad strike inspired by the American Railway Union, growing out of the strike of the Pullman employees at Pullman, Ill. The officials of the union demanded all the railroads to boycott the Pullman cars, and declared a strike of the employees of any railroad on their refusal to declare such a boycott. The Cincinnati Southern, an interstate railway, was in the hands of a receiver, who had been theretofore appointed by the United States Court of Ohio, and the receiver applied to the court for protection against one Phelan, an official of the American Union, who was engaged in inciting a strike among the employees of the railroad. There was no complaint by the employees of this road, as there had been none by the employees in the Arthur case, for the betterment of their condition of service. The demand was that all traffic should be suspended and business paralyzed until all the roads should consent not to carry Pullman cars. In the words of the court, the purpose was to starve the railroad companies and the public into compelling the Pullman company to do something which they had no lawful right to compel it to do.

It seems that a restraining order had been issued by the court prohibiting interference with the management of the receiver in the operation of the road, and Phelan had used language defying his order. He was thereupon attached for contempt, and after a hearing was adjudged guilty of contempt in an opinion by Judge Taft (62 Fed. Rep., 803). The opinion emphasized the same distinction which had been pointed out in the Arthur case in the preceding year. The employees had the right to quit their employment, but they had no right to combine to injure their employer, in order to compel him to withdraw from a mutually profitable relation with a third party for the purpose of injuring the third party, when the relation thus sought to be broken had no effect whatever upon the character or reward of their services. As the purpose of the combination was to tie up interstate railroads, not as an incidental result of a lawful strike for the betterment of the employees' own conditions, but as a means of injuring a third party, it was an unlawful combination, violative of the anti-trust act of 1890. It was also a direct interference with interstate commerce.

Thus, if Phelan had come to Cincinnati and had urged a strike for higher wages, or to prevent lowering of wages, he would not have been liable for contempt, but he had no right to incite the men to quit, when they had no grievances of their own to redress, as it was then essentially a boycott and not a strike.

It was in this Phelan case that Judge Taft, in determining the limits of the rights of labor organizations, made this lucid

and notable statement of the extent of their rights, which has been frequently quoted:

The employees of the receiver had the right to organize into or join a labor union which would take action as to the terms of their employment. It is a benefit to them and to the public that laborers should unite for their common interest and for lawful purposes. They have labor to sell. If they stand together they are often able, all of them, to obtain better prices for their labor than dealing singly with rich employers, because the necessities of the single employee may compel him to accept any price that is offered. The accumulation of a fund for those who feel that the wages offered are below the legitimate market value of such labor is desirable. They have the right to appoint officers, who shall advise them as to the course to be taken in relations with their employers. They may unite with other unions. The officers they appoint, or any other person they choose to listen to, may advise them as to the proper course to be taken both in regard to their common employment; or if they choose to appoint any one, he may order them on pain of expulsion from the union peaceably to leave the employ of their employer because any of the terms of the employment are unsatisfactory.

This declaration of the right of organization and representation of labor unions has often been cited and quoted in support of the unions, and was applied, as will be seen, most effectively in their behalf in the Wabash strike of 1903.

The jurisdiction of the United States courts in the protection of interstate commerce, and the supremacy of the Federal power in such questions, were therefore fully sustained by the Supreme Court of the United States (see *in re Debs* case, 158 U. S., 564; also *in re Lemon*, 166 U. S., 548).

The reason of the prompt acceptance of this application of the law by Judge Taft was the universal recognition that a boycott by railroad employees in interstate commerce, as distinguished from a strike, was impracticable and inadmissible, in view of the paramount public interest concerned. It is true that in ordinary trade disputes the public convenience and even public necessities are not always given the weight they should have. But wherever interstate or foreign commerce are involved the public interest is made paramount by the laws of the United States. All classes of the community, workingmen as well as capitalists, are interested in the proper transmission of the mails and in the uninterrupted passage of person and freight. This principle of the protection of commerce against interruption has become firmly intrenched in our jurisprudence. Under the law declared in these cases, our commerce is subject to be interrupted only by the incidental injury resulting from cessation of service, and not by boycotts or sympathetic strikes not related to the bettering of the conditions of the employees' service. That this principle is firmly established is primarily owing to the clear and courageous enunciation of the law by Judge Taft.

The Addyston Pipe & Steel Company Case.

The same principle of the freedom of interstate commerce from illegal restraint declared in the Arthur and Phelan cases was also held by Judge Taft to apply to a business combination, or a "trust," in the Addyston Pipe & Steel Company case (85 Fed Rep., 271). In this case there was an allotment of territory, comprising a large part of the United States, among a number of companies engaged in the manufacture of iron pipes, and in that territory competition was eliminated through this allotment of territory, and through a system of pretended bidding, giving an appearance of competition, at public lettings, when in fact there was no competition. The decision of the Court of Appeals, rendered by Judge Taft, was afterward affirmed by the Supreme Court of the United States. His opinion is a notable contribution to the law, in its masterly analysis of the essential distinction between the legitimate contracts in restraint of trade, which are merely ancillary, or incidental, to some lawful contract, and necessary to protect the enjoyment of the legitimate fruits of that contract, and the agreements where the sole object is a direct restraint of competition, and to enhance and maintain prices. These latter agreements are unenforceable at common law, and are violative

of the anti-trust act when made with reference to interstate commerce.

The distinction here so clearly pointed out has been the basis of the construction of the anti-trust act by the United States Supreme Court in all its subsequent decisions.

Judge Taft's Opinion Supports the Union in Wabash Strike Case.

The words of Judge Taft in the Phelan case quoted above, setting forth the rights of labor organizations under the law, were directly invoked and applied on behalf of the labor unions in a notable case, that of the threatened strike on the Wabash Railroad by the Brotherhoods of Railroad Trainmen and Firemen in 1903 (121 Fed. Rep., 563). In this case, the representatives of these two brotherhoods, after failing to secure the advance of wages and betterment of conditions demanded by the Brotherhoods, had been forced to call a strike as their last resort, and thereupon an injunction was filed by the railroad company, in the United States Circuit Court in St. Louis, against the officers of these Brotherhoods, enjoining them from calling a strike on the Wabash, as an interstate railroad, on the ground, among others, that the officials of the Brotherhoods were not employees of the railroad, and that their action in combining in calling a strike would be a direct interference with interstate commerce, and was therefore an unlawful conspiracy.

The rights of organization and the rights of representation, as set forth by Judge Taft, were thus directly involved. The writer represented those Brotherhoods in the hearing on the motion to dissolve the injunction granted in this case, and used the above quoted statement of Judge Taft as the most lucid and effective defense of the action of the Brotherhood and their officials. The Court (Judge Adams) found from the evidence that there was an existing dispute about the conditions of service on the railroad, and that the officials of the Brotherhood had been directed by the members of the Brotherhoods to call a strike; that they had a right to be represented in such matters by their own officials, and that the two unions had a right to act in unison in their effort to secure the betterment of the conditions of their members, that an agreement to strike under those circumstances was not an unlawful conspiracy, and the injunction was therefore dissolved. It was said in the opinion that on the subject of organization of labor, and the right of labor unions, no one had spoken more clearly and acceptably than Judge Taft, in this language above quoted. (After the dissolution of the injunction, the differences between the railroad and its employees was amicably adjusted, and the threatened strike was averted.)

Thus, while the law was declared by Judge Taft as to the limitations upon the lawful actions of labor unions, the essential principles involved in the right of organization were also announced by him in the same opinion. This right of organization of workingmen in the unions would be futile without the right of representation by their own officials in the effort to secure the betterment of their conditions. The remedies adopted by workingmen are only weapons for the enforcement of the fundamental right of collective bargaining for the common benefit. There is no foundation, therefore, for the suggestion that the decisions of Judge Taft were in any sense unfriendly to labor, and it is clear that through his lucid declarations of the rights of labor the Railroad Brotherhood secured the judicial vindication of their rights of combination and of representation in their demands for the betterment of their conditions.

While these important decisions were rendered by Judge Taft, declaring the freedom of interstate commerce from illegal combinations both of labor and capital, the limitations upon the rights of organized labor, as well as the essential principles involved in the right of organization for the betterment of their

conditions, it would be an imputation upon the brilliant judicial record of Judge Taft to suggest that in any of these opinions he declared the law as a friend of any class, or that he made any judicial utterance in any of the cases otherwise than a living oracle of the law, bound to declare, in every case brought before him, not his own private judgment, but the judgment of the law.

HIS ATTITUDE AS PRESIDENT OF THE UNITED STATES.

Since entering upon the duties of the Presidency Mr. Taft has at all times shown a sincere interest in all matters concerning the interests of wage workers.

He supported the effort to secure the creation of a Children's Bureau in the Department of Commerce and Labor—an effort that had the support of the labor movement of the country.

He has taken a keen interest in, and has given active support to, the movement to provide in this country a fair and liberal system of compensation for wage earners injured in the course of their employment in place of our present outgrown and wholly unsatisfactory liability laws.

He appreciates thoroughly the vital effect on the relation of wage earner to employer brought about by the vast and far-reaching changes in our industrial system during the past twenty-five years, and has recommended to Congress the creation of a commission, in which labor would be suitably represented, to thoroughly investigate the present relations between wage earners and employers and to recommend, if possible, methods of bettering those relations and of improving the conditions of wage earners.

He urged upon Congress the legislation recently enacted to prevent the use in match manufacture of poisonous phosphorus, thus removing a serious menace to the health and even the life of employees in this industry who were exposed to the fumes of this substance. He has given hearty support to all the work of the Bureau of Labor for the improvement of the conditions of work for wage earning men, women and children; and the activities of that Bureau during this Administration have been more than ever directed along lines calculated to be of immediate practical benefit to wage earners.

Its investigations into conditions of labor in the steel industry have been largely instrumental already in bringing about in that industry a movement for the elimination of the seven-day working week and for the shortening of the working day. It has established a division devoted entirely to the study of the conditions of labor of women wage earners, and the investigations and reports of that division have already assisted in securing State legislation regulating the conditions for women workers.

A series of studies has been undertaken into industrial poisons, and another into the subject of the causes of industrial accidents and the remedies therefor. In both these lines the investigations already undertaken have borne fruit in leading to important changes being made voluntarily for the protection of workers against poisons and against accidents; and the results of these and future investigations on the same lines will furnish a basis for much needed legislation for the protection of employees against the danger of disease and of accidents in the course of their daily toil.

All these lines of work have had the cordial support of President Taft.

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only requires the effects of a panic through which we are passing, or through which we passed in 1893 to 1873, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, at Cooper Union, New York City.

"MORE THAN 3,000,000 WITHOUT EMPLOYMENT."

"The Terrible experiences of Democratic Free Trade."

[Extract from remarks of Hon. Charles Dick of Ohio, in daily Congressional Record, June 9, 1900.]

Mr. Speaker, the voters of the United States are about to be called upon to determine which party shall control the affairs of the Government during the next four years. It seems scarcely possible that the terrible experiences of free trade could be so soon forgotten, but as this seems to be the only assumption upon which their votes can again be asked for those dangerous propositions I propose to put on record a few extracts from that generally accepted and always accurate authority, the American Cyclopaedia, on conditions which existed during the Democratic period, 1893-1896, in which the actual experiment of free trade was made.

[From Appleton's Annual Cyclopaedia, 1893, 1894 and 1895.]

July 18, 1893: Denver, Colo., four banks close their doors and there are runs on other financial institutions.

July 19: More banks close their doors.

July 22: Two more bank failures in Milwaukee and runs in many other places.

July 24: More bank failures in the West.

July 26: New York; two stock exchange firms fail.

July 27: Ten banks suspend, most of them Northwestern. Other business failures reported.

July 28: More failures and suspensions, including nine banks in the West and one in Kentucky.

August 1: Collapse of the Chicago provision deal. Many failures of commission houses. Great excitement in the Board of Trade.

August 8: The Chemical Bank, one of the strongest in the country, is unable to fill its weekly order for small currency.

August —: Madison Square Bank suspends.

August 17: Much excitement on east side New York among Hebrew laborers. Police called out.

August 22: Encounter between anarchists and socialists averted by police in New York.

August 23: Meeting of anarchists broken up by police.

August 30: Kansas coal miners' strike ended with nothing gained.

January 15, 1894: Secretary of the Treasury Carlisle announces his intention to issue bonds.

January 17: The Secretary of the Treasury offers a \$50,000,000 loan for public subscription, according to his announced intentions.

January 24: Strike in Ohio of 10,000 miners.

January 27: A mob of foreign miners destroy property at Brantville, Pa., and elsewhere.

February 16: Many New York silk factories close on account of strike.

February 18: In Ohio all the mines in the Masillon district closed by strike.

February 20: In Boston a riotous assemblage of unemployed workmen dispersed by police.

March 2: Six thousand miners in Jackson County, Ohio, out of employment.

Paterson, N. J.: General strike among the silk weavers.

March 3: In West Virginia striking miners burn the railroad bridge and commit other lawless acts.

March 13: At Paterson, N. J., riotous proceeding on the part of the striking silk weavers.

March 17: In Colorado Governor Waite orders State troops to Cripple Creek to suppress mining troubles.

March 20: In Boston a large body of unemployed workmen march to the State House and demand employment.

March 24: A movement inaugurated in various parts of the Northern States, known as the Army of the Commonwealth, Coxeyites, etc., proposed marching to Washington and demanding help at the hands of Congress.

March 31: Coxeyites are a source of terror to certain Western towns upon which they quarter themselves.

April 2: In Chicago 5,000 plumbers, painters, etc., go on strike.

April 3: In South Carolina the Governor declares martial law in all the cities of the State.

April 4: In Pennsylvania 6 men killed and 1 wounded in coke riots.

April 13: The general council of United Mine Workers orders a strike affecting 8,000 men.

April 16: Strike on the Great Northern spreads to the Northern Pacific.

April 20: In Omaha a mob seizes a train of box cars and attempts to deport Kelly's industrial army, but the army refuses to go.

April 21: About 15,000 miners stop work in sympathy with the coke strikers in Pennsylvania.

April 28: Arrival of a division of the Coxey army at Washington.

A division of the Coxeyites arrested at Mount Sterling for holding up a railway train.

United States troops ordered to assist the civil authorities in the far West.

On the Great Northern Railroad system the Knights of Labor are called out on strike.

April 29: Kelly's army, 1,200 strong, at Des Moines.

April 30: Strike of 2,000 painters in Chicago.

May 1: Attempted demonstration of Coxey's army on the steps of the Capitol.

England learns from experience—Democracy does not.—Hon. Charles Dick, in Congress, January 5, 1904.

ACHIEVEMENTS OF PRESIDENT TAFT'S ADMINISTRATION.

President Taft's administration has to its credit a list of accomplishments which, when summed up, will go far toward answering the question that will remain uppermost in the minds of the people between now and next November, as to whether he shall be re-elected. Many of the more important facts are discussed in separate chapters of this book, especially the work in control of corporations; the enactment of a wise tariff law, under which came an enormous increase in importation of merchandise free of duty, a distinct lowering of the rates of duty, an increase in revenues which turned a treasury deficit into a surplus, an increased activity in the manufacturing industries and the exportation of manufactures. This act also made it possible for the President to create a non-partisan Tariff Board to obtain accurate information upon which future tariff rates at issue should be based. Following this came vetoes by President Taft of several tariff measures in which the Democratic Congress had refused to await information from the Tariff Board or to recognize the information which it had carefully, laboriously and with great care, as to accuracy, collected and placed at the disposal of Congress. The details by which the promises of the platform upon which President Taft was elected in 1908 have been carried into effect are set forth in separate chapters of this work, but the great mass of accomplishments, legislative and otherwise, with which his administration must be credited, can only be presented, in a work of this size, in condensed form. The record will show, however, that the important policies enunciated by his predecessors have been crystallized into law or put into operation without resultant disturbance to business and with no attempt at publicity intended to popularize the administration or the policies themselves, but to leave the work thus performed to tell its own story to the people of the United States.

CONTROL OF CORPORATIONS.

In the control of corporations, President Taft found one of the most difficult and highly responsible duties of his important position. The Republican platform of 1908 pledged the administration to a continuance of the work of regulating the trusts and monopolies, which had grown up in this country, as they had in other countries, irrespective of tariff conditions there prevailing, and upon which work he entered with a mind well equipped by reason of his legal training and judicial experience. When the Supreme Court had cleared up the doubtful phases of the Sherman Anti-Trust Law and declared that "combinations formed for the purpose of controlling prices by destroying the opportunities of buyers and sellers to deal with each other upon the basis of fair, open and free competition are against common right and constitute crimes against the public," the work already begun of a vigorous enforcement through the Department of Justice of existing law was stimulated, and the results of the first three years of President Taft's administration far surpass those of any of his predecessors. The details of this work are set forth in the chapter of this book entitled "Control of Corporations Under President Taft," and need not be recounted here.

TARIFF REVISION.

The promise of the platform for a downward revision of the tariff has been distinctly carried out, so far as existing conditions rendered possible. In certain schedules of tariff

measures, notably those with reference to wool and cotton, the detailed information necessary for a proper adjustment of existing law was not available when the Payne Tariff Law was enacted, and that measure established a Tariff Board, with the definite purpose of obtaining information regarding cost of production, at home and abroad, of the various articles subject to a duty. Under President Taft's direction one of the first duties of this board was the collection of information regarding the two schedules above mentioned in which the Payne Tariff Law had failed, by reason of lack of information, to make the reductions believed essential under the conditions which had arisen since the earlier legislation upon this subject. These reports of the Tariff Board upon these two schedules (wool and cotton) were disregarded by the Democratic Ways and Means Committee and the other Democratic members of Congress, and as the result the various tariff measures, both those hastily framed and passed in the extra session of Congress and those in the regular session which disregarded the information supplied by the unanimous finding of the non-partisan board, were vetoed by President Taft. The Payne Law, however, did make a downward revision in from six hundred to seven hundred items and in but about two hundred was there an advance. The consumption in the United States of the value of articles upon which reductions were made amounts to \$5,000,000,000 per annum, while increases were made on articles of which the consumption is less than \$1,000,000,000. Under this law the importation of merchandise free of duty in the fiscal year just ended amounted to \$900,000,000, and if to this be added the free merchandise coming from Hawaii, Porto Rico and the Philippines, also the result of Republican legislation, the total value of non-dutiable merchandise entering continental United States in the fiscal year of 1912 exceeds \$1,000,000,000. Of the total merchandise entering continental United States during the year, \$1,000,000,000 worth passed from the custom houses to the factories, while another \$1,000,000,000 of manufactures passed from the factories to the customs houses and thence to foreign countries.

The Payne Law has now, at the end of the fiscal year 1912, been in operation thirty-five months, just as many months as the Wilson low tariff law operated, and its operation can, therefore, be compared with the only low tariff law which the country has had since the entrance of the Republican Party into power in the United States in 1861. The merchandise imported free of duty in the thirty-five months of the Payne Tariff Law averaged \$68,000,000 per month against an average of \$31,000,000 per month in the thirty-five months of the Wilson Law. The share of the imports entering free of duty under the entire operation of the Payne Law to date is 51.2 per cent. against 48.8 per cent. during the entire operation of the Wilson Law. The average ad valorem rate of duty on dutiable merchandise entering under the Payne Law is 41.2 per cent., and under the Wilson Law 42.8 per cent. The average ad valorem rate on all imports under the Payne Law is 20.1 per cent., and under the Wilson Law 21.9 per cent. Despite the much larger free list and lower rates of duty under the Payne Law than under the Wilson Law, the customs receipts under the Payne Law averaged \$26,500,000 per month against \$14,000,000 per month under the Wilson Law, these figures being in each case for the thirty-five months' operation of the Payne Law, compared with the thirty-five months in which the Wilson Law operated during its entire existence. Details of the operation of the existing tariff law and of the legislation and attempts at legislation and of the President's vetoes of unsatisfactory tariff bills, are set forth in the separate chapter upon that subject.

WELFARE OF THE PEOPLE.

The interest of the President in the problems affecting the welfare and personal prosperity of the masses of people in the country are especially illustrated by the activities of this administration. The frequent complaints regarding the ad-

vance in the cost of living, which had been a marked characteristic of a considerable period prior to Mr. Taft's entrance upon the presidency, were the subject of immediate and careful attention on his part. Studies were made of conditions at home, with the purpose of determining whether the advance was due to arbitrary control by great corporations. Examinations were made into the advance in values of the lands upon which some of the articles in question were produced, the cost of production growing out of advances in wages, and especial attention given to study of similar conditions in foreign countries, with the purpose of determining whether the advances in the United States were due to local conditions and thus possible of remedy through legislation or more strict enforcement of existing law. The results of these inquiries, which show, in substance, that advances similar to these inquiries have occurred in all countries, and are, therefore, not chargeable to local conditions, while in other cases the advances at home are due to increased land values, wages and the transfer of labor from the farm to the manufacturing centers, are set forth in the chapter entitled "Advance in the Cost of Living," and also in the chapters relating to wages and prices. Especial attention is called to the studies of conditions in foreign countries, which show that the advances in various parts of the world, under free trade in Great Britain or the protective systems of other countries, have been practically identical. These studies, which were set in operation by President Taft through the State Department in the early part of his administration, have proven of great value, not only to the people of the United States, but those of the world in general in quickening the desire for an accurate understanding of the real causes in question; and this has been further stimulated by a recommendation to Congress on the part of President Taft for the establishment, through an invitation by this Government, of an international body for the study of this subject.

Another feature of the President's active interest in the welfare of the people is found in his recommendation to Congress for the enactment of an Employers' Liability and Workmen's Compensation Law, a result of a commission appointed by him to consider this subject, in the transmission of which to Congress, President Taft, after expressing the hope that the measure recommended by that commission would pass, said: "I deem it one of the great steps of progress toward a satisfactory solution of the controversies between employer and employe that has been proposed within the last two or three decades. The old rules of liability under the common law were adapted to a different age and conditions, and were evidently drawn by men imbued with the importance of protecting the employers from burdensome or unjust liabilities. It was treated as a personal matter of each employer, and the employer and employe were put on a level in dealing, which, however it may have been in the past, certainly creates injustice to the employe under the present conditions." Other features of his administration in behalf of the people have been the establishment of the Bureau of the Mines, in the framing and passage of which the President took a very personal and earnest interest; the abolition of the peonage system in several of the Southern States, accomplished through the Department of Justice; the work of the Department of Commerce and Labor, in preventing the admission of objectionable immigrants; obtaining employment for large numbers of the immigrants entering the country, investigation into the labor conditions of the iron and steel industry, steps taken to abolish the practice of working seven days in the week in numerous branches of industry and of shortening the working day, the installation of safety devices and means of accident prevention in the industries and on the railways, the inquiry into the poisoning of operatives in match factories and the study of industrial poisons in general, the studies of systems of workmen's compensation in all the leading industrial countries of the world, the study of the various systems of conciliation and arbitration in use in this country and in

Europe, the mediation in industrial disputes under the Erdman Act, the study of child labor in the industries of the country, the investigation into the hours of labor of women in certain occupations, and the enactment of a law requiring every ocean-going passenger steamer to be equipped with a wireless telegraph outfit in charge of a competent operator. The work of President Taft's administration in behalf of the people, through the Post Office Department and legislation with reference thereto, has been especially important. The postal savings bank system has been established, thousands of post offices have been made postal savings banks and many thousands of people who, in the past, were unwilling to trust their little savings to the banks, are now entrusting them to the Government, which becomes responsible for them, and thus passes into the general circulating medium of the country millions of dollars which formerly lay idle; a Parcels Post System has been recommended and will probably receive favorable consideration from Congress, fraudulent concerns seeking to fleece the people of the country through the unlawful use of the mails have been suppressed, and with all this the deficit of the Post Office Department turned into a surplus. Details of these operations are set forth in the chapter entitled "Work of the Post Office Department." The attempt of the railways of the country arbitrarily to put rate increases into effect was prevented by appeal to writ of injunction. A Stock and Bond Commission, headed by President Hadley, of Yale University, has made a most valuable report for basing regulation of stock and bond issues, prevention of stock watering, etc.

FOREIGN RELATIONS.

The accomplishments of the administration in the field of foreign relations have been extremely important and are set forth in detail in the chapter entitled "Work of the State Department." These include the abrogation of the treaty with Russia, with the purpose of protecting the rights of American citizens temporarily in that country; the new treaty with Japan, by which the troublesome question of immigration has been settled in a manner which adequately protects the wage-earners of the United States without proving offensive to the people or government of Japan; the pending treaties with Central American States and the general arbitration treaties negotiated with Great Britain and France, but rendered practically inoperative through Democratic opposition in the Senate; the vigorous warnings to the Cuban Government against the renewal of insurrectionary movements and destruction of property of American citizens in that island, and the extremely difficult and delicate task of maintaining peace along the Mexican border, through the massing of troops in that vicinity, and the moral effect of their presence without the necessity of absolute intervention in the interest of American citizens and their investments in that country.

ECONOMIES IN ADMINISTRATION.

Economies in the administration of the Government have been a marked feature of President Taft's administration. The estimates of the departments for their current expenses have received careful consideration with the purpose of economizing wherever possible and preventing unnecessary increases, and actual reductions of many millions in expenditures have been effected, as shown by President Taft's speech of acceptance. Another important step in the attempt to economize the expenses of the Government has been the creation by President Taft of a commission of experts to study in detail the operations of the various branches of the governmental service, so as to greatly reduce the expenses and at the same time co-ordinate and simplify the important work performed. The recommendations of this commission, if enacted into law, would result in the saving of many millions of the Government funds and at the same time an improvement of the service.

Other accomplishments of President Taft's administration include the rapid work upon the Panama Canal, which it is expected will be completed during the next year; the passage of a Corporation Tax Law yielding \$30,000,000 annually, with the resultant surveillance of corporate activities; the question of an Income Tax Amendment to the Constitution has been submitted to the States; conservation and irrigation policies carried out and enlarged in detail; a Court of Commerce established to review the findings of the Interstate Commerce Commission; a Court of Customs Appeals created; the Customs Service so reorganized to reduce the losses under fraudulent importations and a recovery of large sums in duties which had been evaded; the veto of the Arizona Statehood Bill, by reason of its provision for the recall of judges, and a ringing appeal to the people of the country against the dangerous doctrine of judicial recall. Certain of the more important features of President Taft's administration down to this time are modestly referred to in his speech of acceptance published in this volume, and are stated in greater detail in the chapters on the work of the various departments.

Defense against injurious importations is as necessary and justifiable as is an army and navy.—Hon. B. F. Jones.

Cheap labor is not the sole end we seek in the United States. . . . We desire not only well-paid labor, but want that labor steadily employed.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

There is, therefore, nothing new in these propositions as to legislation by direct vote, and if we look at the scheme for the recall of judges we shall see that not only has control of the courts by the sovereign authority been familiar at all stages of history, but that the actual practice of judicial recall was attempted in France during the revolution of 1848. The provisional government made the judges removable at pleasure. The result of those experiments in France was the plebiscite and the Third Napoleon. Representative government and liberty faded away together and the executive became all powerful.—Senator Lodge.

While I fully recognize the fact that the Fifteenth Amendment has not accomplished all that it was intended to accomplish, and that for a time it seemed to be a dead letter, I am confident that in the end it will prove to be a bulwark equally beneficial with that of the Thirteenth and Fourteenth Amendments to an unfortunate and down-trodden, struggling race, to whom, in view of the circumstances under which they were brought to this country and the conditions in bondage in which they were continued for more than two centuries, we owe every obligation of care and protection. That which has been done for the benefit of the negro race is the work of the Republican party. It is one of those great issues presented by the exigencies of the war which the party had the firmness and courage to meet.—Hon. Wm. H. Taft, at Kansas City, Mo.

The futility of the investigation of the "Steel Trust" by the Stanley Committee, which will have cost in direct expense, nearly \$40,000 and indirectly an unascertainable amount, is practically demonstrated before any report is ready. A similar result is to be expected of several other investigations undertaken in the last year by the House of Representatives through either regular or special committees, for the simple reason that their purpose has not been to ascertain facts and place them in their proper relation, in order to establish the truth and serve as a guide to sound public action, but to gain some party advantage by one-sided conclusions. Investigation of matters which may call for changes in legislation or in administration of the law must be conducted in a judicial and not a partisan way if they are to be of real use.—New York "Journal of Commerce," Democrat.

Efficient regulation is the very antidote and preventive of socialism and government ownership. The railroads, until now, have been permitted to wield without any real control the enormously important franchise of furnishing transportation to the entire country. In certain respects they have done a marvelous work and have afforded transportation at a cheaper rate per ton, per mile, and per passenger, than in any country in the world. They have, however, many of them, shamefully violated the trust obligation they have been under to the public of furnishing equal facilities at the same price to all shippers. They have been weighed in the balance and found wanting. The remedy for the evils must be radical to be effective. If it is not so, then we may certainly expect that the movement toward government ownership will become a formidable one that cannot be stayed.—Hon. Wm. H. Taft, at Columbus, Ohio.

WILLIAM HOWARD TAFT.

In William Howard Taft the Republican National Convention has renominated for the presidency a man exceptionally equipped, not only by nature and training, but by experience and achievement, to perform the delicate and arduous duties of the greatest office in the gift of any people. For over thirty years he has given himself with single-minded devotion to the public service. He has displayed, throughout a broad grasp of affairs, a literally dauntless courage, an unshakable integrity, a quick and all-embracing sympathy, a deep and abiding sense of justice, a marvelous insight into human nature, a sure and unwavering judgment, executive ability of the highest order and a limitless capacity for hard work. In all the years of its history the Republican Party has never selected as its leader in a National campaign a man so tried beforehand, and so amply proved equal to the task.

A Family of Jurists.

Mr. Taft comes of a family distinguished in the law and the public service. The first American Tafts came of the English yeomanry, transplanted across the Atlantic by the great upheaval for conscience's sake which peopled New England with its sturdy stock. In this country they turned to the study and practice of the law. Peter Taft was both a maker and an interpreter of laws, having served as a member of the Vermont Legislature, and afterwards as a judge. Alphonso Taft, son of Peter, was graduated from Yale College, and then went out to the Western Reserve to practice law. He settled in Cincinnati, and it was at Mt. Auburn, a suburb of that city, on September 15, 1857, that his son, William Howard Taft, first became a presidential possibility.

The boy grew up in an atmosphere of earnest regard for public duty too little known in these days of the colossal and engrossing material development of the country. His father earned distinction in the service of city and State and Nation, going from the Superior bench to which he had been elected unanimously, to the place in Grant's cabinet later held by the son, then as Attorney-General, to the Department of Justice and finally into the diplomatic service, as minister first to Austria and then to Russia. His mother, who was Miss Louise M. Torrey, also came of that staunch New England stock with whom conscience is the arbiter of action and duty performed the goal of service.

His Mother's Influence.

It was her express command that sent him away from her in 1907, when both knew that she was entering upon the last stage of her life. He had promised the Filipinos that he would go to Manila and in person formally open their Assembly. It was to be their first concrete experience in self-government, and he, more than any other man, had made it possible. If he should not keep his promise there was danger that the suspicious Filipinos would impute his failure to sinister motives, to indifference or altered purpose, with result vastly unfortunate to them and to us. Mr. Taft saw all that very clearly, yet in view of his mother's health he would have remained at home. But she forbade. She said his duty lay to the people he had started on the path to liberty, and although it involved what each thought to be the final parting she commanded him to go. He went and before he could return his mother had passed away.

Much was to be expected of a boy of such parentage, and young Taft fulfilled the expectation. He began by growing big

physically. He has a tremendous frame. The cartoonists have made a false presentment of him familiar to the country by drawing him always as a mountain of flesh. But if they had gone to the same extreme of leanness, and still honestly portrayed his frame they would have represented a man above the average weight.

At College.

Of course he went to Yale. His father had been the first alumnus elected to the corporation, and when young Taft had completed his preparatory course at the public schools of Cincinnati he went to New Haven for his college training. He was a big, rollicking, good natured boy, who liked play but still got fun out of work. He did enough in athletics to keep his 225 pounds of muscle in good condition, but gave most of his time to his studies. When the class of '78 was graduated Taft was its salutatorian, having finished second among 120. He was also elected class orator by the class. He was then not quite 21.

He went back to Cincinnati and began the study of law in his father's office, at the same time doing court reporting for the newspaper owned by his half-brother, Charles P. Taft. His salary at first was \$6 a week. He did his work so well, however, that Murat Halstead, editor of the Cincinnati *Commercial Gazette*, employed him to work for that paper at the increased salary of \$25 a week.

While he was doing this he was keeping up his studies, taking the course at the Cincinnati Law School, from which he was graduated in 1880, dividing first honors with another student, and being admitted to the bar soon afterward.

His Respects to a Blackmailer.

That fall there occurred one of the most celebrated and characteristic incidents in his life. A man named Rose was then running a blackmailing paper in Cincinnati. He had the reputation of being a dangerous man. He had been a prize fighter, and was usually accompanied by a gang of roughs ready to assault any whom he wanted punished. Alphonso Taft had been the unsuccessful candidate for governor at that election, and Rose's paper slanderously assailed him. For once young Taft forgot his judicial temperament and legal training, and instead of setting the law on the blackmailer he marched down to his office and gave Rose a terrific thrashing.

Rose quit Cincinnati that night and his paper never appeared again. Young Taft had had his first spectacular fight, and it was in behalf of somebody else.

It is not the purpose of this sketch to attempt a detailed biography of Mr. Taft. It merely seeks by a discussion of a few of the more important events of his life to show what manner of man he is. They reveal him as a student of application and ability; a man with an abiding sense of justice, slow to wrath, but terrible in anger; courageous, aggressively honest and straightforward; readier to take up another's cause than his own. This is a foundation on which experience may build very largely, and that is what it has done for Taft.

The Call to Public Office.

He was hardly out of his boyhood when he was called to public office, and in most of the years since then he has devoted himself to the public service. First he was assistant prosecuting attorney of Hamilton County. In 1881 he became collector of internal revenue for the first Ohio district. A year later he resigned that office and went back to the practice of law. In 1884 he became the junior counsel of a Bar Committee to institute proceedings against Campbell, whose methods of practicing law had brought on the burning of the Hamilton County Court house in Cincinnati. Though technically unsuccessful, Mr. Taft made a good reputation from his conduct of this matter and Campbell was driven from Cincinnati. In 1885 he became assistant county solicitor. Two years later Governor Foraker

appointed him Judge of the Superior Court, to succeed Judson Harmon, who had resigned to enter President Cleveland's cabinet.

In 1886 Judge Taft married Miss Helen Herron, daughter of Hon. John W. Herron, of Cincinnati. They have three children, Robert Alphonso, Helen and Charles Phelps, 2d.

His Judicial Career Begun.

His appointment as Judge of the Superior Court was the beginning of the judicial career which was Taft's ambition, and for which he was so eminently fitted. He made such a record as a judge that at the close of his appointed term he was triumphantly elected for another term. But already he had attracted attention outside his State, and he had served but two years of the five years for which he had been elected when President Harrison asked him to take the difficult post of Solicitor-General of the United States. This was an office of the utmost importance, involving not only wide learning and tremendous application, but the power of clear and forceful presentation of argument. Two of the cases which he conducted as solicitor-general involved questions of vital importance to the entire country. The first grew out of the seal fisheries controversy with Great Britain. Mr. Taft won against such eminent counsel as Joseph H. Choate, who is widely recognized as a leader of the American bar. The other was a tariff case in which the law was attacked on the ground that Speaker Reed had counted a quorum when the bill passed the House. That, too, he won.

On the Federal Bench.

Mr. Taft's record as solicitor-general so clearly proved his fitness for the bench that after three years in Washington he was sent back to Ohio as judge of the Sixth Federal Circuit, a post generally recognized as a preliminary step to the Supreme Court, which was then the goal of his ambition.

It was during his seven years on the federal bench that Mr. Taft's qualities as a judge became known throughout the country. He was called upon then to decide some of the most important cases that have ever been tried in the federal courts, in the conduct of which he established an enviable reputation for learning, courage and fairness—three essential attributes of a great jurist. His power of application and his ability to turn off enormous masses of work received ample demonstration during this time. It was in this period of his service that he rendered the labor decisions which have made him famous as an upright and fearless judge. In his treatment of both labor and capital he showed that here was a judge who knew no distinction of parties when they appeared as litigants before him. He voiced the law as he knew it and the right as he saw it, no matter where the blow fell or whom it struck. If sometimes the decisions went against what organized labor at that time believed to be its cause, it must not be forgotten that no clearer or broader statement of the true rights of labor has ever been made than in some of his judicial utterances. Lawyers conducting litigation in other courts on behalf of labor unions have often cited these decisions of Judge Taft in support of their contentions. Neither should it be forgotten that one of the most important and far-reaching of all his judgments was that against the Addyston Pipe Company, in which for the first time the Sherman anti-trust law was made a living, vital force for the curbing and punishment of monopoly. When this case reached the Supreme Court, Mr. Taft received the distinguished and unusual honor of having his decision quoted in full and handed down as part of the opinions of the high court which sustained him at every point.

Blazing the Philippine Trail.

Since the settlement of the reconstruction question no more delicate or fateful problem has confronted American statesmanship than that of the Philippines. The sudden pitching of over-

sea territory into our possession as a result of the war with Spain, created a situation not only unexpected but entirely without precedent. There was no guide for our statesmen. The path had to be hewed out new from the beginning. There was no crystallization of opinion among the American people as to what should be done with the Philippines. A considerable element was vigorously opposed to retaining them, but the vast majority demanded the maintenance of American sovereignty there. Among these, at first, the desire was undoubtedly due to the glamour of aggrandizement. The possibility of wealth somewhere beyond the skyline always catches the imagination, and there can be no question that the great mass of the people moved, without serious thought of the consequences, toward American exploitation of the islands.

But even at that early day there were a few—a very few—among the leaders of American thought and action, who saw clearly the responsibility thrust upon the country by the adventitious possession of the Philippines, and determined to meet it fully, no matter what clamor of opposition might arise. Among these President McKinley was one. Mr. Taft was another. Mr. Taft had been opposed to taking the islands. He was opposed to retaining them. More than all he opposed their exploitation for American benefit. He believed that the Philippines belonged to the Filipinos, and should be developed in the interest of their own people.

Shouldering the "White Man's Burden."

He saw the possibility of lifting a feeble, ignorant people into the light of liberty and setting them upon the path to intelligent, efficient self-government. That possibility reconciled him to the continuance of American authority over the islands, for none saw more clearly than he the chaos certain to result from immediate independence for the Filipinos, with its inevitable and speedy end in complete and hopeless subjection to some other power. Therefore, when President McKinley asked him to go to Manila and undertake the difficult and thankless task of starting the Filipinos upon their true course, he sacrificed the judicial career which was his life's ambition and shouldered the "White Man's Burden." It was in March, 1900, that he received his appointment as chairman of the Philippine Commission.

Not many Americans have ever comprehended thoroughly the size of Mr. Taft's undertaking, or the full meaning of his achievement. Through a bungle in our first dealings with Aguinaldo and the Filipinos the entire native population of the islands had come to believe, with some reason, that the Americans were their enemies and had betrayed them. Mr. Taft arrived in Manila to find a people subdued by force of arms, but unanimously hostile, sullen and suspicious. They were still struggling, with the bitterness of despair, against the power in which they all saw only the hand of the oppressor.

Overcoming the Barrier Between East and West.

Moreover, their leaders had been inoculated with the belief that between West and East there is an impassible barrier which will always prevent the Occidental from understanding and sympathizing with the Oriental. The experience of generations had confirmed them in that belief. The only government in their knowledge was tyranny. The only education in their history was deceit. The only tradition they possessed was hatred of oppression, made concrete for them by their experience with western domination.

That was what Mr. Taft had to face, and in three years he had overcome and changed it all. He did it by the persuasive power of the most winning personality the Filipinos had ever known. He met them on their own level. He lived with them, ate with them, drank with them, danced with them and he showed them that here was an Occidental who could read and sympathize with the Oriental heart. He gave them a new conception of justice, and they saw with amazement that it was even-handed,

respecting neither person nor condition, a great leveler, equalizing all before the law. They saw Mr. Taft understanding them better than they had understood themselves, comprehending their problems more wisely than their own leaders had done, and standing all the time like a rock solidly for their interests. They saw him opposed by almost all his countrymen in their islands, denounced and assailed with the utmost vehemence and venom by Americans simply because he steadfastly resisted American exploitation and persisted in his declaration that the Philippines should be for the Filipinos. They saw him laboring day and night in their behalf and facing death itself with cheerful resignation in order to carry on their cause. It was a revelation to them. It was something beyond their previous ken, outside of all their experience, their education and their tradition. It convinced them.

A Revelation to the Filipinos.

Mr. Taft gave them concrete examples of disinterestedness and good faith, which they could not fail to comprehend. He gave them schools and the opportunity of education, one of the dearest wishes of the whole people. No man who was not in the Philippines in the early days of the American occupation will ever understand thoroughly with what pitiful eagerness the Filipino people desired to learn. Men, women and children, white haired grandfathers and grandmothers craved above everything the opportunity to go to school and receive instruction in the simplest rudiments. It is difficult to tell how deeply that eager desire touched Mr. Taft and how earnestly he responded to it.

But education was only a beginning. Mr. Taft gave the Filipinos the opportunity to own their own homes. It was another concrete example of simple justice. When they saw him negotiating for the friar lands, securing for the Filipinos the right to buy those lands on easy terms, it went home to the dullest among them that he was working unselfishly in their behalf.

And they saw his justice in their courts. For the first time in all their experience the poorest and humblest Filipino found himself able to secure an even-handed, honest decision, without purchase and without influence.

Even that was not all. They saw Mr. Taft literally and faithfully keeping his promise and calling Filipinos to share in their own government, not merely in the subordinate and lowly places which they had been able to purchase from their old masters, but in the highest and most responsible posts. They saw men of their race called to membership in the commission, in the supreme court and in all the other branches of their government. And they believed the promise of even wider experience of self-government to come.

An Unparalleled Achievement.

It was a practical demonstration of honesty and good faith such as the Philippines had never known. It was a showing of sympathy, justice and comprehension which could not be resisted. Conviction followed it inevitably. The whole people knew—because they saw—that the Philippines were to be maintained for the Filipinos, and they recognized their own unfitness for the full responsibilities of independent self-government, and cheerfully set themselves to the task of preparation.

That is the achievement of Mr. Taft in the Philippines. It has scarcely a parallel in history. What it cost him he paid without question or complaint. He had given up his judicial career when he went to Manila. But three times in the course of his service for the Filipinos the opportunity to re-enter it came to him, each time with an offer of a place on the Supreme Court which had been his life-long goal. Each time he refused it. Not even President Roosevelt understood the call to Mr. Taft from the Filipinos, and when he offered a Supreme Court justiceship to Mr. Taft he accompanied it with almost a command. But Mr. Taft declined. He saw clearly his duty lay to the people whom he had led to believe in him as the personification of American justice and good faith, and he made President Roosevelt

see it, too. How the Filipinos felt was shown when on hearing of the danger that Mr. Taft might be called away from Manila, they flocked in thousands about his residence and begged him not to go. When ultimately he did leave the islands it was only to come home as Secretary of War, in which office he could continue his direction of Philippine affairs and make sure that there should be no deviation from the successful line of policy he had marked out.

The Birth of a Nation.

What was the result? The birth of a nation. The great, powerful American people, through the compelling agency of Mr. Taft, had paused ever so slightly in its triumphant onward march, to stoop down and lift up a feeble, ignorant and helpless people and set it on the broad highway to liberty. Vaguely, uncertainly, not comprehending clearly just what it was doing, not understanding always fully either the object or the means of accomplishment, but its heart right, and submitting confidently to the leadership of a man in whom it trusted implicitly, this Nation had assisted in a new birth of freedom for a lowly and oppressed people. To William Howard Taft belongs the lion's share of the credit. Not often is it given to one man to do such work for humanity. Seldom is such altruism as his displayed. Many other honors have come to him; many others will yet come. Among them all none will be of greater significance or of more lasting value than his work for the Filipinos.

Secretary of War.

It is not important here to discuss in detail Mr. Taft's administration of the War Department since he succeeded Elihu Root as Secretary of War, on February 1, 1904. He was at the head of it during the years of its greatest range of activity. He was not merely Secretary of the Army, as almost all his predecessors were. He was Secretary of the Colonies. Under his direction were matters of the utmost importance affecting every one of the over-sea possessions of the United States. The affairs of the army alone have often proved sufficient to occupy the whole attention of an able secretary. Mr. Taft had to handle not only those and the Philippine and Cuban business, but to direct the construction of the Panama Canal as well. And at not infrequent intervals he was called on to participate in the direction of other weighty affairs of government.

The administration of canal affairs required in a high degree that quality described as executive ability. The building of a canal is a tremendous enterprise, calling constantly for the exercise of sound business judgment. In it Mr. Taft, as Secretary of War and President, has displayed in ripened proportions the abilities he foreshadowed when solicitor-general and collector of internal revenue.

Building the Canal.

When Mr. Taft became Secretary of War this country had just taken possession of the canal zone, under treaty with the Republic of Panama, and of the old canal property, including the Panama railroad, by purchase from the French company. The work was all to do. The country expected the dirt to fly at once. The newspapers and periodicals were full of cartoons representing Uncle Sam in long boots with a spade on his shoulder, striding down to the isthmus to begin digging. But before there could be any real excavation there was a tremendous task to meet. First of all the isthmus must be changed from a disease breeding pest-hole to a place where Americans could live and work in safety. The canal zone must be cleaned up, mosquitoes stamped out and the place made sweet and healthy. Habitations must be constructed for many thousands of workmen and their families. The cities of Panama and Colon, at the terminal of the canal, must be made thoroughly sanitary and supplied with water and sewers. An organization for the work

of canal construction must be perfected and millions of dollars worth of machinery and supplies must be purchased and transported to the isthmus.

All these things, however, were of a purely business character. It required only time and ability to handle them properly. But there was another matter to be taken care of before these could be undertaken, and it was of a decidedly different nature. The Hay-Varilla treaty with Panama had secured to the United States all the rights necessary for complete control of the canal zone, and it became of the utmost importance to insure the maintenance of friendly relations with the people of the isthmus republic. It would certainly greatly increase the ordinary difficulties of building the canal if our people had to encounter the hostilities of the Panamanians.

Here was a problem largely similar to that met by Mr. Taft in the Philippines, and calling for the exercise of the same qualities of tact, sympathy, justice and patience which he had exhibited in the Far East.

It became his task to convince the Panama people and government that the United States had not gone to the isthmus to build a rival State instead of a canal. As head of the War Department, and the superior of the Canal Commission, he conducted all the affairs of this Government with the Republic of Panama following the ratification of the original treaty, and succeeded in keeping our relations with the isthmus uniformly pleasant. He made several trips to the canal zone and examined affairs there with his own eyes.

Real Self-Government for Cuba.

Aside from the Philippines and the Canal the greatest call made upon Mr. Taft when he was Secretary of War came from Cuba. This was a case largely similar to the Philippine problem. The American people have so long imbibed the theory and practice of self-government with their mothers' milk that they have developed a tendency to believe any people fitted for it who desire it. To us liberty is self-government, but to many a people, with neither experience nor tradition of anything but practical autocracy, self-government is only license. So it was with the Cubans. When our intervention had freed that island from the Spanish yoke we deemed it sufficient insurance of successful government for the Cubans to require them to adopt a constitution before we turned the island over to them. We ignored the fact that Cuba had no experience of constitutions or understanding of their functions. So when Cuba had conformed to our requirement we sailed away from Havana and left her to work out her own salvation unaided and untaught. The result of that folly was inevitable and not long delayed. The Cubans having adopted a constitution they had not the slightest idea of what to do with it. They proceeded to govern under the only system of which they had any knowledge. The proclamation of the President took the place of the old royal decree. He created by his fiat the departments of government which should have been established by law of Congress under authority of the Constitution. Freedom in the American sense was unknown in Cuba.

The experiment was aimed toward chaos and its expectation was quickly realized. In September, 1906, the United States had to intervene again, and the task fell on Mr. Taft. Fortunate it was both for the United States and Cuba that it was so. With his experience of the Filipino as a guide and the magnetism of his personality as a lever, Mr. Taft placated the warring factions and secured peaceable intervention. Then he devised and set up a provisional government which all the Cubans accepted.

It was the intention then to maintain the government only long enough to give the Cubans a fair election at which they might select their own government by full and free expression of their own will. But almost immediately the provisional government discovered the fundamental mistake made by the earlier American administration. It found that the Cubans had been attempting to administer a government which never had

been organized and existed only by virtue of the President's will. Patiently the provisional government set to work, under the direction of Mr. Taft, to provide the organization under the fundamental law which the Cubans had never known was the essentials of successful self-government. Thus, to two peoples has Mr. Taft been called upon to give instruction in practical self-government.

A Combative Altruist.

Combative altruism is Mr. Taft's most distinguished characteristic. As Secretary of War he earned the world-wide sobriquet of "Secretary of Peace." He fought some hard battles, but they were with bloodless weapons, and the results were victories for peace. The greater the degree of altruism the keener was his zeal, the harder and more persistent his battle. The greatest struggle of his career, in which he disregarded utterly his settled ambition and cheerfully faced a continuing serious menace to life itself, was on behalf of the weakest and most helpless object in whose cause he was ever enlisted—the Filipino people. That was the purest and loftiest altruism.

But although this is the dominant trait of Mr. Taft, he is well known for other qualities. His judicial temperament, founded upon a deep-seated, comprehensive and ever alert sense of right and wrong; his courage, proved by repeated and strenuous tests; his calm, imperturbable judgment, and his all-embracing sympathy are characteristics that have been often and widely noted. They are his by right of inheritance from generations of broad-minded, upright men and women. The development of his country has extended the range of his opportunity and given greater scope to his activities than was enjoyed by Alphonso Taft, his father, or Peter Rawson Taft, his grandfather, but in character and intellect he is their true descendent.

Nearly four years have elapsed since the foregoing chapter on the life of William Howard Taft was written.

What it conveyed of prophecy has been fulfilled; what it spoke in eulogy has been vindicated. At the close of his first four-year term, President Taft has met the expectations of the people, his sympathies have broadened, his experiences ripened. Malevolent attack at no time undermined his determination and courage to pursue the right; temptations to cater to hollow popular applause at the expense of the general welfare left him unmoved. Bravely, steadfastly and patiently he has performed the duties of his high office, ever seeking the light that pointed the path to progress and reform. And when the Republican National Convention of 1912, on June 22d, gave him the renomination he had so well earned, he again held aloft the banner of social and material betterment of all the people, which four years before was so wisely entrusted to his strong hands. And in those four years the progress, development and augmented prosperity of the American people constitutes the important chapter that is to be added to President Taft's biography, a chapter upon which are based his claims to greatness, now and in the future to be acknowledged by the people whom he has served so well.

In the wealth of altruistic achievement no record of an American President has ever exceeded that of President Taft, and that record, details of which are supplied in other chapters of this book, can be touched upon here only at its highest peaks. Upon that record the Republican Party, going again before the American people, will ask a vote of confidence in the high-principled American statesman, whose courage, tenacity of purpose, integrity and smiling efficiency have made it possible.

If President Taft had done no more than to usher in an era of calm enforcement of the law, where rich malefactor stands on a level with the criminal poor, he would yet be acclaimed by historians as Taft, the Just. If he had done no more than to write the stamp of his disapproval on the wool, steel and free list measures, to register his unyielding opposi-

tion to the recall-of-judges monstrosity—all in the face of warnings that the acts in question went to his very political life—he would yet be regarded as a man of unflinching courage, as a Doer of the Right as God had given him the light to see it. And the same calm courage marked his course in the battle he waged for the cause of peace, when he endeavored to place the United States in the vanguard of nations who are striving for a solution of all international problems without a resort to the sword—endeavors in which he was thwarted by the opposition of Democrats and personal representatives of Theodore Roosevelt in the United States Senate.

Great as were these achievements, thus lightly touched upon, they constitute but a small part of the record as it is written. The highest court in the land has given to the people an interpretation of the Sherman law, under which the great corporations of the Nation now stand ready to square their operations to the terms of the law. The President's recommendation that future revisions of the tariff be taken up schedule by schedule, following the report of a non-partisan Tariff Commission which was at first decried, is now accepted by national leaders irrespective of their political affiliations. The Payne law has maintained the prosperity of the country, providing substantial revision downward, yet producing sufficient revenue, thanks to its many wise provisions, including the imposition of an excise tax on corporations, to turn a large Roosevelt deficit into an equally large Taft surplus.

There is too much in the record of President Taft's first term in office to permit anything more than an index of it to appear in a chapter devoted to his career. It includes Government victories in the Standard Oil and Tobacco Trust cases; fearless enforcement of the Sherman Act; the abrogation of the passport treaty with Russia; the approaching completion of the Panama Canal, without hint of scandal; the admission of Arizona and New Mexico to Statehood; the exercise of rigid economy in Government Departments, at no sacrifice of efficiency, with attendant reduction of estimates and appropriations, and the placing, for the first time in history, of the Post Office Department on a self-supporting basis; the carrying on of military maneuvers along the Mexican border that made for the greater safety of Americans on both sides of the border and that preserved American neutrality. That record includes the reorganization of the Army, providing for unprecedented mobility of troops, and for the maintenance and extension of the power of the Navy as an international agency for peace and a properly equipped guardian of American interests under the provisions of the Monroe Doctrine; the reorganization of the customs service, with its attendant elimination of corruption, exposure and punishment of frauds, and recovery of millions of dollars; the creation of a Bureau of Mines; the successful issue of the Workmen's Compensation Act litigation in the Supreme Court, leading to additional legislation in Congress; the abolition of the "pork barrel" system of rivers and harbors appropriations; the further advancement of the cause of employers' liability legislation; the negotiation and ratification of a treaty with Japan which changed troubled and tense relations into those of undisputed amity; the negotiation of treaties with Nicaragua and Honduras, making for permanent peace. Postal savings banks have been established and parcels post is on the way. Reciprocity with Canada, approved by the American Congress, was rejected by the Canadian electorate, who saw in it a greater advantage to the farmers of the United States than to the farmers of our neighbor to the North. Judicial appointments were taken out of politics and non-political methods were made successful in the taking of the Thirteenth Census. The Income Tax Amendment has been sent to the States for ratification and approval. Conservation policies have been placed on a real working basis. The railroads of the country have been made agencies for the greatest good and were compelled to abandon the project to increase rates without submitting them to the Interstate Commerce Commission for approval. China was opened to American commerce and finance on terms

of equality with the other powers of the world. A boiler inspection law was enacted, greater liberality was exercised toward the veterans of the Civil War, the administration of law was reformed in important particulars, recommendations were submitted looking to a revision of the National Currency that will make panics impossible in the future. Bucket-shop and get-rich-quick concerns were crushed out of existence, and White Slavery and Peonage have become, in a measure, problems of the past.

Pages on pages could yet be written and leave the history of those four years of Taftian achievement incomplete. What is here presented serves not even as a complete index, but it will point the way to those who would seek further. It points the record upon which the party presents the claims of William Howard Taft to the American people in November.

What the capitalist, who is the employer of labor, must face is that the organization of labor—the labor union—is a permanent condition in the industrial world. It has come to stay.—Hon. Wm. H. Taft, at Cooper Union, New York City.

Under existing conditions the blindest course that an employer of labor can pursue is to decline to recognize labor unions as the controlling influence in the labor market and to insist upon dealing only with his particular employees.—Hon. Wm. H. Taft, at Cooper Union, New York City.

This brings me to the question of arbitration. It goes without saying that where an adjustment cannot be reached by negotiation, it is far better for the community at large that the differences be settled by submission to an impartial tribunal and agreement to abide its judgment than to resort to a trial of resistance and endurance by lockouts and strikes.—Hon. Wm. H. Taft, at Cooper Union, New York City.

I do not know any place which thrills one's bosom with patriotic ecstasy as the sepulchre of the unknown dead in Arlington Cemetery. The thought of the heroism and sacrifice of those who, without a murmur and without even hope of personal credit or glory, gave up all to maintain a sacred cause, makes all motives of personal advancement of ambition seem small and sordid.—Hon. Wm. H. Taft, at Riverside Park, New York City.

If I am elected President, I shall urge upon Congress, with every hope of success, that a law be passed requiring a filing in a Federal office of a statement of the contributions received by committees and candidates in elections for members of Congress and in such other elections as are constitutionally within the control of Congress.—From Hon. Wm. H. Taft's speech accepting presidential nomination.

In spite of the general comfort, there have been made manifest by signs not to be misunderstood, a quickening of the public conscience and a demand for the remedy of abuses, the outgrowth of this prosperity and for a higher standard of business integrity. Every lover of his country should have a feeling of pride and exaltation in this evidence that our society is still sound at the core.—Hon. Wm. H. Taft, at Columbus, Ohio.

There is a class of capitalists who look upon labor unions as *per se* vicious, and a class of radical labor unionists who look upon capital as labor's natural enemy. I believe, however, that the great majority of each class are gradually becoming more conciliatory in their attitude, the one toward the other. Between them is a larger class, neither capital nor labor unionist, who are without prejudices, and I hope I am one of those.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The course of the Republican party, since its organization in 1856, and its real assumption of control in 1861, down to the present day, is remarkable for the foresight and ability of its leaders, for the discipline and solidarity of its members, for its efficiency and deep sense of responsibility for the preservation and successful maintenance of the government, and for the greatest resourcefulness in meeting the various trying and difficult issues which a history of now a full half-century have presented for solution.—Hon. Wm. H. Taft, at Kansas City, Mo.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned. It is important, however, that appeals to judicial remedies should be limited in such a way that parties will not use them merely to delay and so clog efficient and just executive or legislative action.—Hon. Wm. H. Taft, at Columbus, Ohio.

THE TRUTH ABOUT THOSE DELEGATES.

Here are the facts in relation to the contested seats in the Republican National Convention. It is a summary of a detailed statement going carefully into all of the cases. This statement is signed by Mr. Victor Rosewater, Chairman of the former Republican National Committee; by Mr. T. H. Devine, of Colorado, Chairman of the Committee on Credentials of the Republican National Convention, and by Mr. Charles D. Hilles, Chairman of the present Republican National Committee.

The total number of delegates summoned to the Republican National Convention of 1912 under its call was 1078, with 540 necessary to a choice. Mr. Taft had 561 votes on the first and only ballot and was declared the nominee.

There were 252 delegates to the Republican National Convention of 1912 whose seats were contested; 238 of these were Taft delegates whom Roosevelt people desired to unseat and 14 were Roosevelt delegates whom Taft people sought to unseat. In accordance with the rules and long-established usage of the party, such contests are, in the first instance, heard by the Republican National Committee, consisting of one member from each State and Territory. This committee decides which names shall go upon the temporary roll of the convention.

It must be borne in mind that the National Committee which passed upon the contests of 1912 was the committee chosen in 1908 when Roosevelt was the leader of the party, at a time when his influence dominated the convention.

When a temporary organization of the convention has been effected, there is elected a Committee on Credentials, consisting of one member from each State and Territory, to which an appeal lies from the decision of the National Committee, and from the decision of the Committee on Credentials a contest may be brought to the convention itself.

Among the delegates whose seats were contested were 74 delegates at large from the fourteen States of Alabama, Arizona, Arkansas, Florida, Georgia, Indiana, Kentucky, Louisiana, Michigan, Mississippi, Missouri, Texas, Virginia and Washington. The Missouri case was decided by the National Committee unanimously in favor of the Roosevelt delegates, and no appeal was taken to the Committee on Credentials.

The Alabama, Arkansas, Florida, Louisiana and Virginia cases were decided against Roosevelt contestants by practically unanimous votes of the National Committee, and were not appealed to the Committee on Credentials.

In the Kentucky case there were a few votes in the National Committee against the Taft delegates at large retaining their seats, but the majority in their favor was overwhelming, and no appeal was taken by the Roosevelt people to the Committee on Credentials.

In the Georgia case the Taft delegates sustained the right to their seats by a practically unanimous vote in the National Committee, and in the Committee on Credentials the vote was entirely unanimous.

In the Indiana case the seats of the Taft delegates at large were confirmed by the unanimous vote of the National Committee, the member from that State not voting. In the Committee on Credentials 13 votes only were cast in favor of seating the Roosevelt contestants.

In Mississippi the Taft delegates at large established the right to their seats by the unanimous vote of the National Committee, and also by the practically unanimous vote of the Credentials Committee.

There were only four States—Arizona, Michigan, Texas and Washington, having in all 28 delegates, including six district dele-

gates from the State of Washington—where the contests were at all worthy of the name, and in none of the fourteen States did the contestants at large bring the matter to a record vote in the convention, and no roll call was demanded in any such case.

The seats of 178 district delegates were contested. In these Congressional districts Taft contests were brought in the fourth California, the eleventh Kentucky, the fifth Missouri, and the third and fifteenth Texas districts, involving 10 seats. The Taft delegates from the fourth California district were given their seats, and one Taft delegate from the eleventh Kentucky district was seated. The other seven seats were decided in favor of the Roosevelt claimants.

In no other convention was so much care exercised or pains taken or so much time devoted to the careful investigation and fair determination of contests. No delegate was permitted to vote upon any contest affecting the right to his own seat. In no other convention were there ever presented, manifestly for the deception of the public, so many wholly unwarranted and unjustified contests. There were filed contests against 238 Taft delegates, but in two cases only, involving four delegates—two from California and two from the ninth district of Alabama—was there a roll call demanded in the convention. In a very large number of cases the right of the Taft delegates was affirmed by unanimous consent of the convention, and in others by a *viva voce* vote, no roll call being demanded.

FRAUDULENT ROOSEVELT CONTESTS.

In the four Southern States—Virginia, Georgia, Alabama and Florida—where practically complete sets of Roosevelt contesting delegates were named, the alleged conventions which named them met from two to three months after the regular Republican organizations in those States had called their conventions and duly elected Taft delegates to the national convention. That these contests were based upon unworthy motives and were devised for the sole purpose of deceiving the public and making trouble for Taft, is apparent from the fact that the regularly elected Taft delegates in every case were seated by a practically unanimous vote, the Roosevelt members of the committees joining with the Taft members in the votes. In Alabama, for example, the regular conventions were held in February and March, the State convention at Birmingham and the district conventions in their respective districts, while the Roosevelt conventions, both State and district, were all held in Birmingham, May 11th. The regular conventions in Georgia were held generally in February or the early part of March. The Roosevelt conventions were all held May 17th or 18th. The Taft conventions in Florida were all held February 6th, while the Roosevelt conventions were all held May 18th, more than three months later, except one which met April 30th. The regularly elected Taft delegates from Virginia at large were chosen in a State convention which met March 12th. The Roosevelt delegates at large were named at a mass meeting, held without any party authority whatever on May 16th. The other Roosevelt delegates from this State were chosen in every case substantially two months after the regular Taft delegates had been elected. It is needless to say that all these Southern contests were financed by money which came from the North.

A careful review of the law and the evidence which was presented to the National Committee and the Committee on Credentials will satisfy any one who is desirous of knowing the truth that these contests were decided strictly on their merits.

There were instituted against 238 of the delegates regularly elected for Taft, contests on behalf of Roosevelt. These contests were avowedly instigated not for the purpose of really securing seats in the convention, not for the purpose of adducing evidence which would lead any respectable court to entertain the contests, but for the purpose of deceiving the public into the belief that Mr. Roosevelt had more votes than he really had, while the conventions and primaries were in progress for the selection of delegates. This is not only a necessary inference from the character of the contests, but it was boldly avowed by the chief editor of

the newspapers owned by Mr. Munsey, who has been Mr. Roosevelt's chief financial and newspaper supporter.

The 238 contests were reduced by abandonment, formal or in substance, to 74. The very fact of these 164 frivolous contests itself reflects upon the genuineness and validity of the remainder. The 74 delegates include six at large from Arizona, four at large from Kentucky, four at large from Indiana, six at large from Michigan, eight at large from Texas and eight at large from Washington, and also two district delegates each from the ninth Alabama, the fifth Arkansas, the thirteenth Indiana, the seventh, eighth and eleventh Kentucky, the third Oklahoma, the second Tennessee, and from each of nine districts, the first, second, fourth, fifth, seventh, eighth, ninth, tenth and fourteenth of Texas.

Here, in brief, is the real story—and the facts—in the different cases:

Contested Delegates-at-Large.

Arizona.

In the Arizona convention there were 93 votes. All the delegates—six in number—were to be selected at large. The counties were entitled to select their delegates through their county committee, or by primary. In one county, Maricopa, a majority of the committee decided to select its delegates, and a minority to have a primary. In other counties there were some contests, and the State Committee, following the usage of the National Committee, gave a hearing to all contestants in order to make up the temporary roll. There was a clear majority of the Taft delegates among the uncontested delegates. The committee made up the temporary roll, and then there was a bolt, 64 remaining in the hall and 25 withdrawing therefrom. The case of the Taft majority was so clear that it is difficult to understand why a contest was made.

Indiana.

In Indiana the four Taft delegates at large were elected in a State convention to which Marion County, in which Indianapolis is situated, was entitled to 128 votes. A primary was held in Indianapolis, at which Taft polled 6000 and Roosevelt 1400 votes. This gave Taft 106 delegates in the State convention from Marion County, and, if they were properly seated, the control of the convention by a large majority was conceded to Taft. Attempt was made to impeach the returns from Marion County by charges of fraud and repeating. These charges were of a general character, without specification, except as to one ward, out of fifteen wards, and then the impeaching witness admitted he could not claim fraud enough to change the result in that ward. The National Committee, upon which there were fifteen anti-Taft men, rejected the Roosevelt contestants and gave the Taft delegates their seats by a unanimous vote. Senator Borah and Mr. Frank B. Kellogg, both Roosevelt men, made speeches in explaining the votes in which they said that the case turned wholly on the Marion County primary, and as there was no evidence to impeach the result certified, the title of the Taft delegates was clear. This is the convention whose proceedings called forth such loud charges of theft and fraud from Mr. Roosevelt.

Kentucky.

In Kentucky a contest was filed against only three of the four delegates at large. The fourth Taft delegate's seat was uncontested. The three contestants admitted they were not elected by the convention which sent the Taft delegates, or by any other. They only contended that if the Roosevelt forces had had a majority, they would have been elected. There were 2356 delegates summoned to the convention by its call. There were 449 of these whose seats were contested. If all of these had been conceded to Roosevelt, it would have made the Roosevelt vote 297 votes less than a majority. The appeal to the Committee on Credentials from the decision of the National Committee was abandoned, as it ought to have been.

Michigan.

In Michigan the State convention had in it about 1200 delegates. There were only two counties in dispute or contest. One was Wayne County, in which Detroit is situated, and the other was Calhoun County. The evidence left no doubt that the Taft men carried Wayne County by a very large majority, but it was immaterial whether this was true or not, because leaving out both Wayne County and Calhoun County, the only counties in contest, the Taft delegates outnumbered by several hundred the Roosevelt delegates, and they had a clear majority out of the total number of votes that should have been in the convention. The contest was so weak as to hardly merit recital.

Texas.

In Texas there were 249 counties, of which four have no county government. The 245 counties under the call of the convention were allowed to have something over 1000 delegates representing them, who were given authority to cast 248 votes. Of the 245 counties, there were 99 counties in which the total Republican vote was but 2000, in 14 of which there were no Republican voters, in 27 of which there were less than ten each, and in none of which was there any Republican organization, and in none of which had a primary or convention been held. It was shown that Colonel Cecil Lyon, to whom had been assigned as referee the disposition of the patronage of the National Republican Administration for ten years in the State, had been in the habit of controlling the Republican State Convention by securing from two Federal office-holders in each of these 99 counties a certificate granting a proxy to Colonel Lyon, or a friend of his, to represent the county, as if regularly conferred by a Republican county organization. The National Committee and the Committee on Credentials and the convention, after the fullest investigation, decided that these 99 counties in which the Republican vote was so small, and in which there was no Republican party, no convention, no primary, no organization, was not the proper source for a proxy to give a vote equal to that to be cast by the other 146 counties in which there was a Republican organization, and in which primaries or conventions were held. The two committees therefore held such 99 proxies to be illegal and not the basis of proper representation. The two tribunals who heard the case decided that they should deduct the 99 votes from the total of 245 and give the representation to those who controlled the majority of the remainder. The remainder was 152 votes, and out of that the Taft men had carried 89 counties, having 90 votes. This gave to the Taft men a clear majority in the State convention, and with it eight delegates at large.

Washington.

The contest in Washington turned on the question whether the Taft delegates appointed by the County Committee in King County, in which Seattle is situated, were duly elected to the convention, or whether a primary, which was subsequently held, and at which Roosevelt delegates were elected, was properly called, so that its result was legal. Under the law, the County Committee had the power to decide whether it would select the delegates directly or should call a primary. In some counties of the State, one course was pursued, and in other counties the other. In King County the committee consisted of 250 men, the majority of whom were for Taft, and that majority, acting through its Executive Committee, selected the Taft delegates to the State convention. Meantime, the city council of Seattle had redistricted the city. It before had 250 precincts. Now, substantially, the same territory was divided up into 381 precincts. The Chairman of the County Committee was a Roosevelt man. He had been given authority by general resolution to fill vacancies occurring in the committee. A general meeting of the committee had been held after the city council had directed the redistricting of the city, in which it was resolved, the chairman not dissenting, that representatives could not be selected to fill the 331 new precincts until an election was held in September, 1912. Thereafter, and in spite of this conclu-

sion, the chairman assumed the right by his appointment to add to the existing committee 131 precinct committeemen, and with these voting in the committee, it is claimed that a primary was ordered. There was so much confusion in the meeting that this is doubtful. However, the fact is that the Taft men protested against any action by a committee so constituted, on the ground that the chairman had no authority to appoint the 131 new committeemen. They refused to take part in the primary, and so did the La Follette men. The newspapers reported the number of votes in the primary to be something over 3000. The Roosevelt Committee showed by affidavit the number to be 6000 out of a usual total Republican vote of 75,000. The action of the chairman of the committee in attempting to add 131 precinct men to the old committee was, of course, beyond his power. The resolution authorizing him to fill vacancies of course applied only to those places in the existing committee which became vacant after they had been filled, and clearly did not apply to 131 new precincts. It could not in the nature of things apply to a change from the old system to a complete new system of precincts created by the City Council, because if they were to be filled the entire number of 331 new precincts different from the old must be filled. One system could not be made into the other by a mere additional appointment of 131 committeemen. No lawyer will say that such action by the committee thus constituted was legal. Therefore the action which the lawful committee of 250 took in electing Taft delegates, who made a majority in the State Convention, was the only one which could be recognized as valid.

Contested District Delegates.

ALABAMA.

Ninth District.

The Ninth Alabama contest turned on the question whether the chairman of a District Committee had power to fill vacancies, whether a committeeman who had sent his resignation to take effect only in case he was not present, being present, should be prevented from acting as committeeman, and, third, on the identity of another committeeman. The written resolution under which the right of the chairman to appoint to vacancies was claimed showed on its face that the specific authority was written in in different handwriting and with different colored pencil between the lines. A number of affidavits were filed by committeemen who were present when the resolution was passed, to show that the resolution contained no such authority. This gave rise to a question of fact upon which a very large majority of both the National Committee and the Committee on Credentials held that the lead pencil insertion was a forgery, that the chairman did not have the authority thereunder to appoint to the vacancies, and, therefore, the action of his committee was not valid. This made it necessary to reject the contestants. The committee decided the two other issues of fact before them in favor of the Taft contention, although the first decision was conclusive.

ARKANSAS.

Fifth District.

In the Fifth Arkansas the question was one of the identity of one faction or the other as the Republican Party. This convention followed the example of the convention of 1908 in holding that what was known as the Redding faction was not the Republican Party, that it was a defunct organization, and had only acquired life at the end of each four years for the purpose of using it in the National Convention. The contestants were therefore rejected. It was shown that the other, or Taft, had been in active existence as the Republican Party, had nominated a local ticket and had run a candidate for Congress.

CALIFORNIA.

Fourth District.

The Fourth California presented this question: Under the state law, the delegation, two from each district, was elected on a general ticket, in a group of 26. Each delegate might either express his presidential preference or agree to vote for the presidential candidate receiving the highest number of votes in the State. In the Fourth District the two candidates from that district on the Taft ticket expressed a preference for Taft, but did not agree to vote for the candidate having the highest state vote. These Taft delegates in the Fourth District received a majority of 200 more than the Roosevelt delegates in that district. The official call for the Republican National Convention, in precisely the language used in the call for the 1908 and many previous conventions, forbade any law or the acceptance of any law which prevented the election of delegates by congressional districts. In other words, the state law was at variance with the call for the National Convention. The state law was invoked to enforce the state unit rule, requiring the whole 26 delegates to be voted for all over the State, assigning two to each district on the tickets to abide the state-wide election, while the Republican National Convention has insisted upon the unit of the district since 1880. That has been the party law. This convention recognized the party law and held it to be more binding than that of the state law, and allowed the two delegates who had received in the Fourth District a vote larger than their two opponents assigned to that district, to become delegates in the convention. This was clearly lawful, for a State has no power to limit or control the basis of representation of a voluntary national party in a National Convention. The fact that President Taft, by telegram, approved all of the twenty-six delegates as representing him is said to be an estoppel against his claiming the election of two of those delegates in the Fourth District. What is there inconsistent in his approving the candidacy of all his delegates and the election of two of them? Why should he be thus estopped to claim that part of the law was inoperative because in conflict with the call for the convention?

INDIANA.

Thirteenth District.

In the Thirteenth Indiana there was no question about the victory of the Taft men, because the temporary chairman representing the Taft side was conceded to have been elected by one-half a vote more than the Roosevelt candidate. This one-half vote extended through the riotous proceedings, and, although it was not as wide as a barn door, it was enough. The chairman put the question as to electing the Taft delegates, and, after continuous objection, lasting three hours, declared the vote carried. The Roosevelt men thus prevented a roll call and then bolted.

KENTUCKY.

Seventh District.

In the Seventh Kentucky District the total vote of the convention was 145. There were contests from four counties involving 95 votes. According to the rules of the party in Kentucky, where two sets of credentials are presented, those delegates whose credentials are approved by the county chairman are entitled to participate in the temporary organization. On the temporary roll the Taft chairman was elected by 98 votes and 47 votes were cast for the Roosevelt candidate. The Committee on Credentials was then appointed, consisting of one member named by each county delegation. The majority report of the committee was adopted unanimously by the convention, no delegation whose seats were contested being permitted to vote on its own case. As soon as the majority report of the Credentials Committee had been adopted the Roosevelt adherents bolted. There was not the slightest reason for sustaining the contest for Roosevelt delegates.

KENTUCKY.

Eighth District.

The Eighth Kentucky District was composed of ten counties, having 163 votes, of which 82 were necessary to a choice. There was no contest in five of the counties, and although the Roosevelt men claimed that there was one in Spencer County, no contest was presented against the seating of the regularly elected Taft delegates from that county. This gave the Taft delegates 84 votes, or two more than were necessary for a choice. In other words, assuming that the Roosevelt men were entitled to all the delegates from the counties in which they filed contests in the District Convention, there remained a clear majority of uncontested delegates who voted for the Taft delegates to Chicago.

OKLAHOMA.

Third District.

In the Third Oklahoma District the question of the validity of the seats of the delegates turned on the constitution of the Congressional Committee, which was made up of twelve Taft men and seven Roosevelt men. The chairman, Cochran, was a Roosevelt man, and attempted to prevent the majority of the committee from taking action. The chairman was removed, and another substituted, and thereupon the convention was duly called to order on the temporary roll prepared by the Congressional Committee, which was made the permanent roll, and the two Taft delegates to Chicago were duly selected. Every county in the district had its representation and vote in the regular convention, and no person properly accredited as a delegate was excluded or debarred from participating in its proceedings. Cochran and his followers bolted after his deposition. Assuming that all the committee who went out with him had the right to act on the committee, it left the committee standing twelve for Taft and seven for Roosevelt, so it was simply a question whether a majority of the committee had the right to control its action or a minority. The bolting convention which Cochran held was not attended by a majority of the duly elected delegates to the convention. It did not have the credentials from the various counties, and its membership was largely made up of bystanders who had not been duly accredited by any county in the district. Its action was entirely without authority.

TENNESSEE.

Second District.

In the Second Tennessee District there were 59 delegates uncontested out of a possible total of 108 in the convention. There were 49 contested. The Roosevelt contestants in the 49 refused to abide the decision of the Committee on Credentials, and withdrew, leaving 59 uncontested delegates. These 59 delegates, part of whom were Roosevelt men, remained in the convention, appointed the proper committees, settled contests, and proceeded to select Taft delegates. There can be no question, therefore, about the validity of their title.

TEXAS.

First District.

The only remaining districts are the nine districts from Texas. Of these, the First District was composed of eleven counties, each county having one vote, except Cass County, which had two. The Executive Committee, composed of one representative from each county, made up the temporary roll, and in the contests filed from two counties seated both delegates with one-half vote each. The convention elected the two Taft delegates, giving them $10\frac{1}{4}$ votes. Each county was represented in this vote. A minority representing $1\frac{3}{4}$ votes bolted the regular convention and held a rump meeting. The National Committee by *unanimous vote* decided the contest in favor of the Taft delegates.

Second District.

In the Second Texas District there were fourteen counties. Two counties were found not to have held conventions and one county to have no delegate present. The convention was then constituted by the delegations that held regular credentials. The report of the Committee on Credentials was accepted upon roll call and then the representatives of five counties with drew from the hall. The representatives of four of these counties held a rump convention. The regular convention remained in session several hours, appointed the usual committees, which retired and made their reports, which were accepted, and elected two Taft delegates to the National Convention, and certified their election in due form to the National Committee, which, without division being asked for, held them properly elected.

Fourth District.

The Fourth Texas District consists of five counties, each having one vote in the District Convention under the call. One county, Rains, chose an uncontested delegation, and that one was for Taft. The other four counties sent contesting delegations. The contesting delegations appeared before the Congressional Executive Committee to present their claims, but the committee arbitrarily refused to hear anybody. Having exhausted every effort to secure a hearing, the four contesting delegations, together with the only uncontested delegation of the convention, withdrew to another place and held a convention and elected Taft delegates to the Chicago Convention. The Congressional Convention which elected the Taft delegates was composed of more than a majority, and, indeed, of practically all the regularly elected delegates. The National Committee held the title of the Taft delegates to their seats valid by *viva voce* vote, without calling for a division.

Fifth District.

The Fifth District of Texas is composed of Dallas, Ellis, Hiss, Bosque and Rockwell counties. Dallas County cast more Republican votes than all the other counties of the district put together. The call for the Congressional Convention allowed each county to send not to exceed four delegates, but made no reference to the basis of representation of the respective counties composing the district. There was a contest from Dallas County, but the Taft delegates were seated. Taft delegates were seated on the temporary roll from two counties and Roosevelt delegates from the three counties, and the representation in the convention was fixed at one vote for each county, without regard to the number of delegates in the convention or the number of Republican votes cast in such county. A minority report of the District Committee was presented, protesting against the ratio of representation adopted. The chairman of the convention objected to the presentation of this minority report. Failing in this, he abandoned the platform and left the hall.

The convention thereupon elected a new chairman and a new secretary, appointed a Committee on Credentials, which recommended the seating of the Taft delegates from Hill County, and the adoption of the minority report of the District Committee as to the basis of the representation in the convention. Both of these recommendations were adopted, and Taft delegates to the National Convention were thereupon elected by a vote of eight to three. The Roosevelt men thereafter retired to the south end of the hall, where they organized a meeting, at which it was claimed the Roosevelt delegates to the National Convention were elected. The Republican vote for the district for 1908 was as follows: Dallas County, 2068; Ellis, 594; Hill, 414; Bosque, 266; Rockwall, 38. Both the National Committee and the Committee on Credentials sustained the Taft delegates.

Seventh District.

The Seventh Congressional District of Texas is composed of the following counties: Anderson, Chambers, Galveston, Houston, Liberty, Polk, San Jacinto and Trinity. Polk, San Jacinto and

Trinity were without proper party organization. In Texas, county chairmen must be elected by the voters in each party. No such election was held in any of these three counties. In two of them Colonel Lyon assumed to appoint chairmen, which he had no right to do. Lyon himself had classed these three counties as unorganized and without party organization.

The convention met in Galveston. The Executive Committee met prior to the meeting of the convention to make up the temporary roll of delegates. The Executive Committee had before it the question of having the three unorganized counties represented in the convention. The Executive Committee refused to recognize them. When this action was taken by the Executive Committee, a delegate from Houston County, and the alleged representatives from the three unorganized counties withdrew from the meeting and proceeded to organize another convention, and upon this is based the contest, which was rejected by both committees, the National Committee and the Credentials Committee.

Eighth District.

In the Eighth Congressional Convention a split occurred over the majority and minority reports of the Executive Committee as to the temporary roll. The Roosevelt followers controlled the Executive Committee, but did not have a majority in the convention which adopted the minority report and gave Taft $5\frac{1}{2}$ votes and Roosevelt $2\frac{1}{2}$ votes. This resulted in the election of the Taft delegates, who were seated by both the National Committee and the Credentials Committee.

Ninth District.

In the Ninth District the District Committee was called by Mr. Speaker, a member of the committee, and not by the chairman. The chairman refused to convene the committee because he claimed that all the delegates from Texas to the National Convention must be elected in the State Convention; that Colonel Lyon, his superior, had thus directed him. The District Committee was called. Seven members attended the meeting. The District Convention was called on the 15th of May. Eleven counties out of the fifteen responded to the call and took part in the convention, which elected Taft delegates. Three counties were not represented, and in one of these there was no election. After this convention had been called the chairman of the District Committee changed his mind and called a meeting of the committee for April 17th. This committee called a Congressional Convention to be held on the 18th of May. But there was no publication of the call, which had to be thirty days before the convention, until April 21st. The Taft Convention seems, therefore, to have been duly and regularly convened, while the Roosevelt Convention was not. The Taft delegates were seated.

Tenth District.

In the Tenth District the decision turned largely upon the bad faith with which two members of the District Committee voted in the seating of delegates and upon the bad faith with which one of them used the proxy intrusted to him. The Taft delegates in this case bolted and left the hall, and immediately, in the same building, organized another convention, which consisted of delegates from six counties. Proceedings were regularly held, a permanent organization effected, the report of the Committee on Resolutions adopted, and delegates pledged to Taft were elected. The undisputed evidence indicated that a flagrant attempt had been made to deprive Taft of this district, to which he was justly entitled. The National Committee sustained the title of the Taft delegates and alternates by a practically unanimous vote.

Fourteenth District.

In the Fourteenth District there were fifteen counties in the district. When the Executive Committee met at San Antonio to make up the temporary roll there were ten members of the committee present whose right to act was undisputed, of whom

six were for Taft and four for Roosevelt. There were four other Roosevelt men present whose right to vote was disputed and who were clearly not entitled to represent their county at that meeting. One of them held the proxy of the committeeman from Kendall County, who was dead, and the proxies from three other counties were held, two by postmasters and one by an assistant postmaster, while under the election law of Texas no one who holds an office of profit or trust under the United States shall act as a member of an Executive Committee either for the State or for any district or county. The temporary roll was made up by Taft members, having a clear majority, without permitting these men to act under their proxies. There was a contest over the delegation from Bexar County, which contains the city of San Antonio. Full consideration was given to this contest, but the testimony was overwhelming that Taft carried the county by a vote of four or five to one. On the proper basis the total vote in the District Convention was 67, of which the number instructed or voting for Taft was $37\frac{1}{2}$; the number voting or instructed for Roosevelt, $28\frac{1}{2}$; not voting, 1. The Taft delegation was, therefore, seated at Chicago.

Conclusion.

This is the summary of the contests in which there was any shadow of substance. It is not essential, in order to make Mr. Taft's title indisputable, that all men agree on every one of the issues raised. They were decided by the tribunals which uniform party usage had made the proper tribunals to decide such contests. If those tribunals acted in good faith a mistaken judgment would not invalidate their decision. As a matter of fact, an examination of the facts shows that the tribunals were right in every instance. There is not the slightest evidence that they were moved by other than an honest desire to reach a right conclusion. On the other hand, the action of the Roosevelt men in bringing 160 contests that they promptly abandoned, strongly tended to show their lack of good faith in the prosecution of all of them. Those who support President Taft can well afford to stand on the record in these cases, and to asseverate without fear of successful contradiction that the Taft delegates whose seats were contested were as fairly seated in this convention as in any in the history of the party.

The *Washington Times*, a daily newspaper owned by Frank Munsey, an ardent Roosevelt supporter, in its issue of June 9, 1912, contains the following statement, showing the real foundation of most of the Roosevelt contests:

"On the day when Roosevelt formally announced that he was a candidate something over a hundred delegates had actually been selected. When Senator Dixon took charge of the campaign a tabulated showing of delegates selected to date would have looked hopelessly one-sided. Moreover, a number of Southern States had called their conventions for early dates, and there was no chance to develop the real Roosevelt strength in the great Northern States till later. For psychological effect, as a move in practical politics it was necessary for the Roosevelt people to start contests on those early Taft selections, in order that a tabulation of delegate strength could be put out that would show Roosevelt holding a good hand. In the game a table showing Taft, 150; Roosevelt, 19; contested, 1, would not be very much calculated to inspire confidence, whereas, one showing Taft, 23; Roosevelt, 19; contested, 127, looked very different. That is the whole story of the larger number of Southern contests that were started early in the game. It was never expected that they would be taken very seriously. They served a useful purpose, and now the National Committee is deciding them in favor of Taft in most cases without real division."

The only anti-trust law on the Federal Statute books bears the name of a Republican senator. The law creating an Interstate Commerce Commission bears the name of another Republican senator, and all the law is being enforced by a Republican President.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

THE JUDICIAL RECALL.

EXTRACTS FROM AN ADDRESS OF PRESIDENT TAFT AT TOLEDO, MARCH 9, 1912.

"In the last year or two we have heard much of radical methods of changing the judiciary system. If we would properly consider these proposals and stand on solid and safe ground we must re-examine the fundamental principles of stable popular government.

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"It was long ago recognized that the direct action of a temporary majority of the existing electorate must be limited by fundamental law; that is, by a Constitution intended to protect the individual and the minority of the electorate and the non-voting majority of the people against the unjust or arbitrary action of the majority of the electorate. This made it necessary to introduce into the Constitution certain declarations as to the rights of the individual which it was the purpose of the whole people to maintain through the Government against the aggression of any temporary majority of the electorate, and to provide in the same instrument certain procedure by which the individual might assert and vindicate those rights.

"Then, to protect against the momentary impulse of a temporary majority of the electorate to change the fundamental law, and deprive the individual or the voting minority or the nonvoting majority of inalienable rights, the Constitution provided a number of checks and balances whereby every amendment to the Constitution must be adopted under forms and with delays that are intended to secure much deliberation on the part of the electorate in adopting such amendments.

"These checks and balances, as has been pointed out, include the division of the Government into three independent branches—the legislative, executive and the judiciary—and the provisions by which usurpation by one of the functions of another is forbidden. The executive, while he is bound to act in behalf of all the people and to regard their rights, is properly influenced by that discretionary policy which he was elected by his constituents to carry out. In that sense, he represents the majority of the electorate. So, too, the legislative members elected to uphold certain governmental views of the majority will properly favor the embodiment of such views in valid legislation.

"But the judiciary are not representative in any such sense, whether appointed or elected. The moment they assume their duties they must enforce the law as they find it. They must not only interpret and enforce valid enactments of the legislature according to its intention, but when the legislature in its enactments has transgressed the limitations set upon its power in the Constitution, the judicial branch of the Government must enforce the fundamental and higher law by annulling and declaring invalid the offending legislative enactment. Then the judges are to decide between individuals on principles of right and justice.

"The great body of the law is unwritten, determined by precedent and founded on eternal principles of right and morality. This, the courts have to declare and enforce. As between the individual and the State, as between the majority and the minority, as between the powerful and the weak, financially, socially, politically, courts must hold an even hand and give judgment without fear or favor.

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"In the remedy by judicial recall it is proposed to provide by law that whenever a judge has so discharged his duties as to induce a certain percentage of the electorate to deem it wise

to remove him, and that percentage sign a petition asking his recall, an election shall take place in which the incumbent shall stand against other candidates; and if he does not secure a plurality of votes, he is ipso facto removed.

"I have pointed out that under our form of government and Constitution many of the issues arising before our courts are in effect issues between the State and the individual, between the majority and the minority—cases in which the popular interest might be greatly excited to secure a favorable judgment. By this system the question whether the judge is to be removed or not is to be left to that majority that may be greatly aroused to secure from him a judgment favorable to them. Could a system be devised, better adapted to deprive the judiciary of that independence without which the liberty and other rights of the individual can not be maintained against the Government and the majority?

"But it is said we may have corrupt judges. How are we going to get rid of them? They can be impeached under our present system.

"Let us examine the other method proposed for the reform of the judiciary. That is, a recall of decisions. By this method, when a supreme court has found a law, intended to secure public benefit, to be invalid because it infringes some constitutional limitation, the decision is to be submitted to a vote of the qualified electors, and if a majority of them differ with the court and reverse the decision, the law is to be regarded and enforced as valid and constitutional.

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"What the court decides is that the enacted law violates the fundamental law and is beyond the power of the legislature to enact. But when this issue is presented to the electorate, what will be the question uppermost in the minds of most of them and forced upon them by the advocates of the law? Will it not necessarily be whether the law is on its merits a good law rather than whether it conflicts with the Constitution

"The interpretation of the Constitution and the operation of a law to violate some limitation of that instrument are often nice questions to be settled by judicial reasoning and farsighted experience, which are not to be expected of the electorate, or welcomed by it. If the issue is transferred to them the simple question will be of the approval or disapproval of the law. What this recall of decisions will then amount to, if applied to constitutional questions, is that there will be a suspension of the Constitution to enable a temporary majority of the electorate to enforce a popular but invalid act.

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"The main argument used to sustain such a popular review of judicial decisions is that if the people are competent to establish a Constitution they are competent to interpret it, and that this recall of decisions is nothing but the exercise of the power of interpretation. This is clearly a fallacious argument. The approval of general principles in a Constitution, on the one hand, and the interpretation of a statute and consideration of its probable operation in a particular case and its possible infringement of a general principle, on the other hand, are very different things.

"The one is simple, the latter complex; and the latter when submitted to a popular vote, as already pointed out, is much more likely to be turned into an issue of general approval or disapproval of the act on its merits for the special purpose of its enactment than upon its violation of the Constitution. Moreover, a popular majority does not adopt a Constitution, or any principle of it, or amend its terms, until after it has been adopted by a constitutional convention or a legislature, and the final adoption is, and ought to be, surrounded with such checks and delays as to secure deliberation. In other words, the course of procedure in the adoption of Constitution or amendment is very different from what the proposed vote of a majority on constitutional interpretation would be."

**EXTRACTS FROM REMARKS OF HON. ELIHU ROOT BEFORE
NEW YORK STATE BAR ASSOCIATION.**

The respect for the decisions of our courts which has sustained the judicial branch of our Government has been based upon the idea that judicial decisions are something quite distinct and different from the expression of political opinions or the advocacy of economic or social theories. Devotion to the reign of law, with its prescribed universal rules, as distinguished from the reign of men, with their changing opinions, desires, and impulses, has inclined us always to ascribe a certain sanctity to the judicial office. To change this view and consider the decisions of our courts in the same way and upon the same presumptions as in the case of political opinions means that the authority of the courts will inevitably decline, that the independence of the judicial branch will cease, that judicial decision must interpret the law always to suit the majority of the moment, and the recall will be the natural and logical expression of the relation to be assumed between the people and the courts.

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It is not the duty of our courts to be leaders in reform, or to espouse or to enforce economic social theories, or, except in very narrow limits, to readjust our laws to new social conditions. The judge is always confined within the narrow limits of reasonable interpretation. It is not his function or within his power to enlarge or improve or change the law. His duty is to maintain it, to enforce it, whether it be good or bad, wise or foolish, accordant with sound or unsound economic policy. If the law, as declared by a court of last resort, bars the way of some popular movement, the true remedy is not to threaten the court with extinction or its members with punishment unless they will decide against their convictions, but to set the law making body in operation to change the law. When a community is not satisfied with a law as it is declared by the court to be, it is not a desirable thing to coerce or reconstruct a court to force it to say that a law is what it is not. The right way is to make the law what the community wishes it to be. This is not difficult, for when a majority of the people wish a law to be changed it will be done. Proposals, in whatever form, to subordinate the decisions of the court to the decision of a majority of voters, whether it be by punishing the judges for an unsatisfactory decision through removing them from office or by reviewing their decision at the polls, instead of reviewing and revising the law upon which the decision is founded, proceed upon a failure to realize that this method involves an abandonment of the most essential feature of our system of constitutional government.

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A sovereign people which declares that all men have certain inalienable rights and imposes upon itself the great impersonal rules of conduct deemed necessary for the preservation of those rights, and at the same time declares that it will disregard those rules whenever in any particular case it is the wish of the majority of its voters to do so, establishes as complete a contradiction to the fundamental principles of our Government as it is possible to conceive. It abandons absolutely the conception of a justice which is above majorities, of a right in the weak which the strong are bound to respect. It denies the vital truth taught by religion and realized in the hard experience of mankind, that human nature needs to distrust its own impulses and passions and to establish for its own control the restraining and guiding influence of declared principles of action. If we yield to the impatience which would destroy the system that alone makes effective the great impersonal rules and preserves our constitutional government, rather than endure the temporary inconvenience of pursuing true methods of changing the laws, we shall not be reforming, but we shall be exhibiting the weakness which

thoughtful friends of free government the world over have always feared the most—the lack of that self-control which enables great bodies of men to abide the slow processes of orderly government rather than breaks down the barriers of order when they obstruct the impulse of the moment. * * *

The recall of judges strikes at the very heart of the fundamental and essential characteristic of our system of government. It nullifies it. It sets it at naught. It casts to the winds that protection of justice that our fathers established and that has made us, with all our power, a just and orderly people. For when we say to the judge upon the bench, "If you maintain the abstract rule of justice against the wish of the people at the moment, you shall be turned out of office in ignominy," we nullify the rule of justice and establish the rule of passion, prejudice, and the momentary demand of the excited mob. This is not progress. It is not reform. It is degeneracy.

EXTRACTS FROM AN ADDRESS BY DR. NICHOLAS MURRAY BUTLER, PRESIDENT OF COLUMBIA UNIVERSITY

The principle of the recall when applied to the judiciary is much more than a piece of stupid folly. It is an outrage of the first magnitude! It is said: "Are not the judges the servants of the people? Do not the people choose them directly or indirectly, and should not the people be able to terminate their services at will?" To these questions I answer flatly, No! The judges stand in a wholly different relation to the people from executive and legislative officials. The judges are primarily the servants not of the people, but of the law. It is their duty to interpret the law as it is, and to hold the law-making bodies to their constitutional limitations, not to express their own personal opinions on matters of public policy. It is true that the people make the law, but they do not make it all at once. Our system of common law has come down to us from ancient days, slowly broadening from precedent to precedent. It is not a dead or a fixed thing. It is capable of movement, of ~~and~~, and of adaptation to changing conditions. But it must be changed and adapted by reasonable and legal means and methods and not by shouting or by tumult. It was no less a person than Daniel Webster who said "that our American mode of government does not draw any power from tumultuous assemblages." This is true whether the tumultuous assemblage shouts and cries aloud on a sand lot, or whether the tumultuous assemblage goes through the form of voting at the polls.

Moreover, we know something about what happens when judges are dependent upon the power that creates them. The history of England tells a plain story of the tyranny and injustice which grow out of a judiciary that is made representative not of the law but of the Crown. In the same way, if the recall of the judiciary should be established in this country, it would not be long before our history would tell the story of the tyranny and injustice that usually follow upon a judiciary made immediately dependent upon a voting population. If great causes, civil and criminal, are to be decided in accordance with established principles of law and equity and upon carefully tested evidence, they must be decided under the guidance of a fearless and independent judiciary. To make the actions or the words of a judge the subject matter of popular revision at the polls with a view to displacing a judicial officer because some act or word is not at the moment popular, is the most monstrous perversion of republican institutions and of the principles of true democracy that has yet been proposed anywhere or by anybody. * * *

To make it possible to displace public officials before the expiry of the term for which they are chosen is to deprive them of individual responsibility and dignity and to make them mere tools of passing opinion. It is not difficult to see what would have happened had the principle of the recall prevailed throughout American history. We Americans are singularly liable to

communicable political diseases, and one wave of emotion after another sweeps over us with amazing celerity. George Washington would have been recalled at the time of the Genet episode; James Madison might have been recalled during the agitation which led to the War of 1812 with England; Abraham Lincoln would almost certainly have been recalled in the dark days of 1862 and 1863; Grover Cleveland would have been recalled by overwhelming vote in the summer of 1893, when he was making his fight for a sound financial policy and system. Yet, when we get far enough away from the public deeds of these strong men we see that the particular things which at the time most excited the animosity and aroused the passions of large numbers of people were the very things that made them immortal in American history. It is not because they defied public opinion that they were great; it is because they understood real public opinion better than did the untamed passion of the moment. They saw far more clearly than did the crowd what was really at stake, and it was their responsibility to reflect, to plan, and to act so that the honor and highest interests of the Nation would be preserved. To-day these men are with the highest on the list of our American heroes; yet every one of them might have been dashed from his high place if the passions of the moment could have gotten at them when those passions were at their height.

**EXTRACTS FROM AN ADDRESS BY WENDELL PHILLIPS
STAFFORD, ASSOCIATE JUSTICE OF THE SUPREME
COURT OF THE DISTRICT OF COLUMBIA.**

We have built our institutions on the proposition that the people have the right to rule. Their will is made known through the suffrage. And when opinions differ, as they usually do, the majority must govern. But that is not the whole of the proposition. If it were, there would be no safeguard whatever for the rights of the minority. The majority might appropriate their property. It might reduce them to slavery. It might even take away their lives. The proposition takes for granted, then, certain guaranties for the protection of the minority. And what are these? They are those elementary rights which no majority, however large, may ever violate. They have been recognized in constitutions and bills of rights, but they were not created by them. They inhere in free government itself, for human freedom is impossible without them. Among these rights there is none more important than this, that no citizen shall be deprived of his liberty or property except by the judgment of the law, and after a trial before an independent and impartial tribunal. We have now come to the keystone of the arch. It is this: The majority of the legal voters can not constitute itself this tribunal. If it can, it still holds the property and lives of the minority in its hands, subject to its mere will and pleasure, for there is no one who can call it to account.

The cases that may come before the tribunal are of two classes. First, those between individuals merely. Second, those in which one of the parties is, in fact, if not in name, the people themselves, or the popular majority. By far the most important and most trying cases will be those of the second class, in which it is contended that some fundamental right of the individual or the minority is being violated. The violation will be attempted under the form of law; and thus the real party upon one side is the people, or the popular majority, whose will has here found expression in the form of law. In such cases how is the independence and impartiality of the tribunal to be secured? How except by removing it as far as possible from dictation by either party? Let it be remembered that the tribunal, the court, has been created and its members chosen by one of the parties to the controversy, namely, the people. Clearly, then, the only security the other party can have is this: That the tribunal, once it is created and its members chosen, shall be permitted to decide without further interference. If it is to be

checked and overawed by one of the parties; if, the moment it decides the case against that party, its power is to be taken from it and bestowed upon others, then it is the party that decides the case, not the tribunal.

The argument for the recall assumes that judges are only agents of the majority, and easily reaches the conclusion that when the agent fails to satisfy his principal he may rightly be recalled. The fallacy in the argument is in the assumption that the judge is an agent. He is not an agent in any proper sense of that word. He is not the agent of either party to a cause. He is not even the agent of both parties. If his duty were to trade and compromise between them, he might be considered the agent of both. But that is not his duty. His duty is to decide. It is not for him to please, nor to seek to please, either party. It is for him to decide the question between them as law and justice requires.

But some one will say: "The Constitution with its guaranties was adopted by the popular majority. Can you not trust it to abide by the work of its own hands?" Sir, I believe in the people, but I should not wish to see even the Bill of Rights subjected to the chances of every popular election. The making of a constitution is a work of momentous import. Statutes stand for what the people think from year to year. Constitutions stand for what they think from generation to generation.

If judicial opinions are to be reviewed at popular elections, why should not judges be instructed beforehand how to decide questions that are certain to arise? They would be saved the possibility of making a mistake. If that is not to be done the greatest jurist will be the one who shows himself most expert and nimble in keeping on the side of the majority.

When the King asked Lord Coke how he would decide a certain question if it came before him he replied, "When that case arises I will decide it as shall befit a judge." History has recorded the answer with a proud smile. When democracy asks that question of her judges shall they answer with less dignity and self-respect than the chief justice of the Stuarts? When Prince Hal struck the lord chief justice on the bench and went to jail for it, the King shed happy tears that he had a judge who dared administer the law even to the heir apparent, and that he had a son who in his sober second thought accepted the judgment of the law. Has free America in the twentieth century less reverence for law than the House of Lancaster had 500 years ago?

EXTRACT FROM SPEECH OF HON. CHARLES NAGEL, AT INDIANAPOLIS, IND., JULY, 1912.

The recall, I venture to predict, if adopted will prove a disappointment throughout. It will not serve to raise the standard of public life; it will not serve to improve the character of officials, but, on the contrary, it will make trimmers of men who accept office, if they are not that when they accept office, and it will deter men of independence and capacity, who are not seeking place, from accepting positions of trust which are offered with the expression of distrust.

But, conceding that any of these ideas may find application in local conditions, conceding that every State has the right to accept them, and that we may soon have the benefit of actual experience, how will these advocates apply their ideas to the activities of the National Government? * * * Is it possible that, not content with the present agitation and disturbance which constitute a necessary price for the enjoyment of our representative system, opportunity for turmoil, indecision, and unrest shall be multiplied? Is it possible that these advocates contemplate the recall of Federal officials? Is it to be applied to Congressmen in their respective districts? Is it to be applied to Senators, and is it to be applied to the President?

If such a rule is to embrace even judges of the courts, how is it to be exercised in the national system? Are the

people of each district of a United States court, or in each circuit of a court of appeals, to pass upon the right of a judge appointed by the General Government to continue in his court? Are the people of such a district or circuit to have the right in every instance to pass upon the decision announced by the judge of a court of that district or circuit? If the people of one circuit have reversed the court of that jurisdiction, is the rule to be good for that circuit only; or is it to be accepted as a precedent for people of other circuits who may disagree? And if the idea of precedent is to be abolished, is it true that these advocates propose to have as many popular opinions of the law as we have districts and circuits in the United States? To pursue the destruction of precedent and well-ordered adjudication still further, is it proposed that each decision shall stand for its case alone, in order that the people of the same circuit may have the right to determine each case as it arises, establishing the Constitution for one controversy and disestablishing it for another?

The advocacy of such a system suggests chaos in decisions, irresponsibility in the courts, and, worse than all, the power of an impatient majority to deny every right which well-ordered institutions guarantee to the minority. The most significant feature of this modern agitation, this new nationalism, is that it is not national at all. In fact, the initiative, referendum and recall are advocated by men who are ambitious for national office and generally are avoided by men who have to do with local affairs. Each is busy making promises to which he cannot be successfully held.

Is there a single measure promised in the last platform, is there a single measure suggested by developments, that can and would not be enacted under our time-honored system so soon as the people have reached anything approaching a mature conviction as to form and substance; and to accomplish such a result are we as a people not better qualified to select men than we are to formulate measures?

It is insisted that these drastic remedies are to be used only in certain cases, but it is undeniable that their trend leads to but one result. It means, in the language of one of the governors, that what is right is constitutional; it means that the people are to throw off all self-restraint, and that as a people we are to abandon the highest test which an individual man can impose upon himself. This means that the Constitution, to all intents and purposes, when its guaranties are most needed, is abolished. Finally, it means that the determination of what is right, and therefore what is constitutional, must be left to the author of the nostrum itself. It means one-man power, as pure democracy always has meant and always will mean. It is not progressive, but reactionary; for by its teaching every people that have ever experimented with these doctrines have gone to their destruction.

The safety and interest of the people require that they should promote such manufactures as tend to render them independent of others.—Washington.

Our appeal is not to a false philosophy or vain theories, but to the masses of the American people, the plain, practical people whom Lincoln loved and trusted and whom the Republican Party has always faithfully striven to serve.—Maj. McKinley to Notification Committee, 1896.

Remembering those Republican promises and their fulfillment in the years since, calling to mind the unfulfilled Democratic promises and the bitter years of 1893-1896, what will you gain by voting the Democratic ticket.—Representative Chas. Dick, of Ohio, in Congress, January 5, 1904.

The difficulty with the Democratic Party and the reason why the American people thus far have manifested their distrust of it is because it has no policy which the country can depend upon. Its whole stock in trade is that of irresponsible criticism and obstruction, but when charged with the responsibility for doing anything it utterly fails.—Hon. Wm. H. Taft, at Greensboro, N. C.

CURRENCY.

The Republican Party has always stood for a sound currency and for safe banking methods. It is responsible for the National Banking System; for limiting the issue of greenbacks; for the resumption of specie payments; and for the establishment of the gold standard. It is committed to the progressive development of our banking and currency system.

The need of further revision is generally admitted. Legislation to meet the requirements of current conditions must be enacted. Measures which will prevent the recurrence of money panics and financial disturbances, and which will promote the prosperity of business and the welfare of labor by the production of constant employment, better currency facilities for the movement of crops in the West and South, the establishment of rural credit banks for the aid of the farmer, banking arrangements under American auspices for the encouragement and better conduct of American trade, are some of the needs that must be met.

Methods proposed for the attainment of these ends include the development of co-operation among the banks; the establishment of a national organization of banks with clearly defined and limited functions along the lines of our clearing house experience; making the volume of note issues more responsive to and dependent upon the business needs of the country; by removing banking reserves from the domain of speculation and placing them where they will be able to respond more effectively to the requirements of manufacturers, merchants, and farmers; and providing for the establishment of American institutions to conduct foreign banking. In attaining these ends, the independence of individual banks, whether organized under National or State charters, to be carefully protected and the banking system safeguarded from any possibility of domination by sectional, financial, or political interests.

The necessity of reforming the methods of formulating financial legislation was urged by President Taft in his message to Congress of December 6, 1910. In this he says:

"The method of impartial scientific study by experts as a preliminary to legislation, which I hope to see ultimately adopted as our fixed national policy with respect to the tariff, rivers and harbors, waterways and public buildings, is also being pursued by the non-partisan Monetary Commission of Congress. An exhaustive and most valuable study of the banking and currency systems of foreign countries has been completed.

"A comparison of the business methods and institutions of our powerful and successful commercial rivals with our own is sure to be of immense value. I urge upon Congress the importance of a non-partisan and disinterested study of our banking and currency system. It is idle to dream of commercial expansion, and of the development of our national trade on a scale that measures up to our matchless opportunities, unless we can lay a solid foundation in a sound and enduring banking and currency system. The problem is not partisan, it is not sectional—it is national.

During the last four years, since the panic of 1907 accentuated the necessity for currency reform in so striking a manner, the preliminary steps have been taken. A non-partisan Monetary Commission, made up of the members of both parties in the two Houses, has been appointed and has made a thorough study of financial conditions both in the United States and abroad, generally conceded to have been the most exhaustive undertaken by any government or any governmental agency. It has also prepared a bill for submission to Congress, to serve as a basis upon which to work, for permanent financial legislation that will eliminate the faults of the present system.

PRESIDENT TAFT TO CONGRESS.

The situation confronting Congress when the present session was called is described by President Taft in his message of December 21, 1911. In this he said:

"A matter of first importance that will come before Congress for action at this session is monetary reform. The Congress has itself arranged an early introduction of this great question through the report of its Monetary Commission. This commission was appointed to recommend a solution of the banking and currency problems so long confronting the Nation and to furnish the facts and data necessary to enable the Congress to take action. The commission was appointed when an impressive and urgent popular demand for legislative relief suddenly arose out of the distressing situation of the people caused by the deplorable panic of 1907. The Congress decided that while it could not give immediately the relief required, it would provide a commission to furnish the means for prompt action at a later date.

"In order to do its work with thoroughness and precision this commission has taken some time to make its report. The country is undoubtedly hoping for as prompt action on the report as the convenience of the Congress can permit. The recognition of the gross imperfections and marked inadequacy of our banking and currency system even in our most quiet financial periods is of long standing; and later there has matured a recognition of the fact that our system is responsible for the extraordinary devastation, waste, and business paralysis of our recurring periods of panic. Though the members of the Monetary Commission have for a considerable time been working in the open, and while large numbers of the people have been openly working with them, and while the press has largely noted and discussed this work as it has proceeded, so that the report of the commission promises to represent a national movement, the details of the report are still being considered. I can not, therefore, do much more at this time than commend the immense importance of monetary reform, urge prompt consideration and action when the commission's report is received, and express my satisfaction that the plan to be proposed promises to embrace main features that, having met the approval of a great preponderance of the practical and professional opinion of the country, are likely to meet equal approval in Congress.

"It is exceedingly fortunate that the wise and undisputed policy of maintaining unchanged the main features of our banking system rendered it at once impossible to introduce a central bank; for a central bank would certainly have been resisted, and a plan into which it could have been introduced would probably have been defeated. But as a central bank could not be a part of the only plan discussed or considered, that troublesome question eliminated. And ingenious and novel as the proposed National Reserve Association appears, it simply is a logical outgrowth of what is best in our present system, and is, in fact, the fulfillment of that system.

"Exactly how the management of that association should be organized is a question still open. It seems to be desirable that the banks which would own the association should in the main manage it. It will be an agency of the banks to act for them, and they can be trusted better than anybody else chiefly to conduct it. It is mainly bankers' work. But there must be some form of Government supervision and ultimate control, and I favor a reasonable representation of the Government in the management. I entertain no fear of the introduction of politics or of any undesirable influences from a properly measured Government representation.

"I trust that all banks of the country possessing the requisite standards will be placed upon a footing of perfect equality of opportunity. Both the National system and the State system should be fairly recognized, leaving them eventually to coalesce if that shall prove to be their tendency. But such evolution can not develop impartially if the banks of one system are given or permitted any advantages of opportunity over those of the other system. And I trust also that the new legislation will carefully and completely protect and assure the individuality and the independence of each bank, to the end that any tendency there may ever be toward a consolidation of the money or banking power of the Nation shall be defeated.

"It will always be possible, of course, to correct any features of the new law which may in practice prove to be unwise; so that while this law is sure to be enacted under conditions of unusual knowledge and authority, it also will include, it is well to remember, the possibility of future amendment.

"With the present prospects of this long-awaited reform encouraging us, it would be singularly unfortunate if this monetary question should by any chance become a party issue. And I sincerely hope it will not. The exceeding amount of consideration it has received from the people of the Nation has been wholly non-partisan; and the Congress set its non-partisan seal upon it when the Monetary Commission was appointed. In commending the question to the favorable consideration of Congress, I speak for, and in the spirit of, the great number of my fellow citizens who without any thought of party or partisanship feel with remarkable earnestness that this reform is necessary to the interests of all the people."

The possibility of enacting permanent financial legislation in the political stress and storm that has characterized the present Congress was manifestly remote and, by a general understanding, the further consideration of the report of the Monetary Commission was postponed. The necessity for action,

however, is fast becoming urgent. The provisions for the issue of emergency currency adopted by Congress in 1908 expire, under the terms of the law, on June 30, 1914, and additional and more permanent legislation is essential. As the next session of the present Congress will be a short session, it will probably fall to the lot of the following Congress to undertake this great task.

SENATOR ROOT AT CHICAGO.

Senator Root, in his speech as chairman of the Republican National Convention of 1912, said:

The national currency, which the election of McKinley rescued from disaster at the hands of a Free Silver Democracy, still rests upon the Civil War basis of Government bonds, and is no longer adapted to our changed conditions. It is inelastic; its volume does not expand and contract according to legitimate demands of business. It subjects us to constant danger of panics which begin in speculation and end in paralyzing business. It facilitates and promotes the arbitrary control of a small group of banks and bankers with enormous capital, and tends to an undue concentration of the money of the country in a few great money centers. Any possible remedy involves the study of world-wide finance, because we are no longer isolated, and money flows from city to city and country to country, in accordance with the laws of demand and supply and the attraction of interest rates. No Congress could, by its ordinary methods, get beyond the surface of the vast and complicated problem, yet the working out of a new system adapted to American conditions is of vital importance to the prosperity of the country and the security of every business and of every man whose support is directly or indirectly dependent upon American business. For the solution of this question the policy of the Republican Party established a Monetary Commission, which has made a most thorough and exhaustive study of the financial systems of all civilized nations, of their relations to our own system, and the needs of American business. The commission has reported a bill for the establishment of a new system of reserve associations under which the currency will be elastic, the business of the country will find ready sale for its commercial paper, the people of the country at large will exercise control instead of a little group of large bankers, and the danger of panics will disappear. The President has recommended the conclusions of the commission to the Congress, where the proposed bill is under consideration. It is for the interest of every business man in the United States that the party controlling the Government shall not be changed until this policy has been carried into execution.

The currency planks of the Republican and Democratic parties in 1912 are as follows:

CURRENCY PLANK OF REPUBLICAN PLATFORM OF 1912.

The Republican Party has always stood for a sound currency and for safe banking methods. It is responsible for the resumption of specie payments, and for the establishment of the gold standard. It is committed to the progressive development of our banking and currency system. Our banking arrangement to-day needs further revision to meet the requirements of current conditions. We need measures which will prevent the recurrence of money panics and financial disturbances, and which will promote the prosperity of business and the welfare of labor by producing constant employment.

We need better currency facilities for the movement of crops in the West and South. We need banking arrangements under American auspices for the encouragement and better conduct of our foreign trade. In attaining these ends the independence of individual banks, whether organized under National or State charters, must be carefully protected, and our banking and currency system must be safeguarded from any possibility of domination by sectional, financial or political interests.

It is of great importance to the social and economic welfare of this country that its farmers have facilities for borrowing easily and cheaply the money they need to increase the productivity of their land. It is as important that financial machinery be provided to supply the demand of farmers for credit, as it is that the banking and currency systems be reformed in the interest of general business. Therefore we recommend and urge an authoritative investigation of agricultural credit societies and corporations in other countries, and the passage of State and Federal laws for the establishment and capable supervision of organizations having for their purpose the loaning of funds to farmers.

CURRENCY PLANK OF DEMOCRATIC PLATFORM, 1912.

We oppose the so-called Aldrich bill for the establishment of a central bank, and we believe the people of the country will be largely freed from panics and consequent unemployment and business depression by such a systematic revision of our banking laws as will render temporary relief in localities where such relief is needed, with protection from control or domination by what is known as the Money Trust.

Banks exist for the accommodation of the public and not for the control

of business. All legislation on the subject of banking and currency should have for its purpose the securing of these accommodations on terms of absolute security to the public and of complete protection from the misuse of the power that wealth gives to those who possess it.

We condemn the present methods of depositing Government funds in a few favored banks, largely situated in or controlled by Wall street, in return for political favors, and we pledge our party to provide by law for their deposit by competitive bidding by the banking institutions of the country, National and State, without discrimination as to locality, upon approved securities and subject to call by the Government.

Of equal importance with the question of currency reform is the question of rural credits or agricultural finance. Therefore we recommend that an investigation of a agricultural credit societies in foreign countries be legislation permitting national banks to loan a reasonable proportion of made, so that it may be ascertained whether a system of rural credits may be devised suitable to conditions in the United States, and we also favor legislation permitting national banks to loan a reasonable proportion of their funds on real estate security.

The Democratic party, it will be seen, follows the negative course of condemning the report of the Monetary Commission and shows a disposition to hark back to the old methods which have failed to make the currency and financial systems responsive to the needs of the day. The only promise of permanent financial legislation not subject to the influences of partisan or political practices, but undertaken after careful study by experts qualified to analyze conditions and suggest reform, lies in the Republican party.

We shall send our flag into all ports of trade, not as a menace, but as the harbinger of peace and good-will.—Hon. C. W. Fairbanks, at Freehold, N. J., June 27, 1903.

The dollar paid to the farmer, the wage-earner, and the pensioner must continue forever equal in purchasing and debt-paying power to the dollar paid to any government creditor.—Maj. McKinley to Notification Committee, 1896.

In this age of frequent interchange and mutual dependence, we cannot shirk our international responsibilities if we would; they must be met with courage and wisdom, and we must follow duty even if desire opposes.—President McKinley at Omaha, October 12, 1898.

Experience of more than forty years in business has taught me that under a low or revenue tariff business depression and financial distress has been the rule, while under protection good business and general prosperity has been the result.—Hon. N. D. Sperry, M. C., of New Haven, Conn., in the "American Economist."

All the prosperity enjoyed by the American people—absolutely all the prosperity, without any reservation whatever—from the foundation of the United States Government down to the present time, has been under the reign of protective principles; and all the hard times suffered by the American people in the same period have been preceded either by a heavy reduction of duties on imports or by insufficient protection, thus refuting all free-trade theories on the subject. As I desire my native land to be on the apex of prosperity, rather than under the heel of hard times, I am a protectionist.—David H. Mason, in the "American Economist."

American exports of manufactures increased between 1880 and 1908 from \$122,000,000 to \$750,000,000. This represents a growth during the period of 515 per cent., as against 45½ per cent. made by Great Britain, 180 per cent. by Germany and 43 per cent. by France. In view of the fact that free traders have always contended that the inevitable result of the pursuit of the protective policy would be to render the country incapable of competing in foreign markets, these figures are peculiarly interesting. They are made doubly so by the fact that the conditions which have made this growing competition possible permit the American consumer to use a larger proportion of the manufactured articles produced at home than is retained by any other people with a highly developed manufacturing industry. — San Francisco "Chronicle."

I think it never could have entered the minds of the men who framed the constitution that there could be found in all time men who would favor the recall of the judiciary. To me the proposition is unthinkable. No self-respecting man would accept judicial office under such conditions. The recall of judges is only equalled by that twin devil, the recall of judicial decisions. I'm a firm believer in the people, in the sober second thought of the people, but I have seen the people, when appealed to by some gifted and attractive demagogue, go wild. I've seen them vote for measures which a few years later they wanted wiped from the statute books. No American citizen has a right to tolerate doctrines so wild and revolutionary. It is no more a question of politics than the preservation of the Union was a question of politics.—Hon. John C. Spooner.

THE DEMOCRATIC FREE SUGAR BILL.

A deliberate attempt to destroy our domestic sugar industry; in the interest of the refiners—a proposal to sacrifice the farmers to the Sugar Trust.

The Ways and Means Committee of the Democratic House of Representatives presented in that body in March, 1912, a bill placing sugar on the free list, and the Democratic House passed it. It went to the Republican Senate, was referred to the Republican Finance Committee, and was adversely reported. That the enactment of the bill into law would have destroyed our beet and cane sugar industries and at the same time benefited the refiners—the Sugar Trust—cannot be doubted when the following statements are read:

POSITION OF THE DEMOCRATIC PARTY ON THE SUGAR TARIFF.

The unanimous report of the Democratic members of the Ways and Means Committee accompanying their free sugar bill submitted to the House of Representatives on March 5, 1912, contains the following declaration of principles:

Beet sugar leaves the first manufacturing establishment in a refined condition, but all cane sugar, which constitutes about four-fifths of our consumption, must be refined; consequently the refining interest is the most important factor connected with sugar manufacturing in the United States. Therefore, **the industrial position of refining requires primary consideration.** The ability of refiners to compete with other countries without the aid of tariff protection cannot be successfully denied.

The line of demarcation between the policies of the two great parties is thus clearly drawn. The Republican Party is pledged to the development of the domestic sugar industry.

The Democratic Party maintains that in shaping a sugar tariff *"the industrial position of refining requires primary consideration."*

The Sixty-second Congress appointed a special committee, commonly called the Hardwick Committee, "On the Investigation of the American Sugar Refining Company and Others." That committee submitted to the House of Representatives a unanimous report wherein they find, on pages 14 and 15, that but 12 per cent. of the refining industry of the United States is independent of the direct or indirect control of the American Sugar Refining Company—that is, that *88 per cent. of the sugar refining business of the United States is under the direct or indirect control of the American Sugar Refining Company*, commonly called the trust. It follows inevitably, therefore, that in the unanimous opinion of the Democratic members of the Ways and Means Committee previously quoted, *the Sugar Trust "requires primary consideration" in framing a sugar tariff.*

Representatives of every leading sugar refining company in the United States appeared before the Hardwick Committee and asked either for a heavy reduction in the present duty on sugar or for absolute free trade in that commodity.

The Democratic members of the House conformed to the demand of the refiners, and passed a bill placing sugar on the free list.

The action of the Democratic members of the House of Representatives is thus in direct accord with the unanimous opinion of the Democratic members of the Ways and Means Committee when they stated in their report that in framing a sugar schedule *"the industrial position of refining requires primary consideration."* Furthermore, *this Democratic free sugar bill is exactly what the representatives of the Sugar Trust asked for when they appeared before the Hardwick Committee.*

To further assist the refiners, they provided in their chemical schedule that bone black, which, under the Payne tariff law,

pays 25 per cent. ad valorem duty, should be placed on the free list. Bone black, one of the principal items of expense in refining sugar, is now practically all made in the United States, and is used chiefly by the sugar refiners.

BRIEF HISTORY OF THE SUGAR TARIFF.

The first Congress passed, on July 4, 1789, a general tariff act, included in which was a duty on sugar. From that time to the present sugar has always paid a duty, except during the operations of the McKinney law, which placed raw sugar on the free list and levied one-half cent per pound duty on refined sugar, but guarded the interests of the domestic producer by giving a two-cent per pound bounty on all sugar produced in the United States.

The Walker tariff of 1846 levied a 30 per cent. ad valorem duty on sugar, which was reduced to 24 per cent. by the lowest sugar tariff in our history—that of 1857.

The Wilson bill of 1894 placed a 40 per cent. ad valorem duty on sugar.

With the exception of the tariffs thus definitely mentioned, the Payne-Aldrich bill of 1909 placed *the lowest duty on sugar since the establishment of our Government.*

The war with Spain, in the year 1898, imposed upon this Government certain obligations which national honor demanded we should discharge. Porto Rico and the Philippines became insular possessions. Cuba was established as an independent republic under our protection. Hawaii, at about the same time, was annexed, and the permanence of its free-trade relations with the United States assured. The industry upon which these islands depend for prosperity is sugar. To establish prosperity in these various areas and thereby insure tranquility and prosperity to their people became one of the most serious problems confronting our Government. To attain this end we made permanent the free interchange of all commerce between the United States and Porto Rico and Hawaii; we have freely admitted the products of the Philippines into our markets, where the same do not conflict with our domestic industries, and granted to those islands a tariff system of their own; and we negotiated with Cuba a reciprocity treaty providing for a 20 per cent. concession in the tariff. The effect of this legislation has been to establish in all those islands the prosperity, tranquility and happiness which we sought to give them, and greatly increase their purchasing power and actual purchases from the United States.

In Hawaii the sugar crop increased from 204,833 long tons in 1897 to 506,096 long tons in 1910.

In Porto Rico the sugar crop increased from 85,000 long tons in 1902 to 205,000 long tons in 1910.

In the Philippines the sugar crop increased from 92,794 long tons in 1902 to 152,717 long tons in 1910.

In Cuba the sugar crop increased from 1,040,228 long tons in 1903 to 1,804,349 long tons in 1910.

Contemporaneous with this increase in the sugar crop of the islands mentioned, we have an increase in our beet crop in the United States from 37,500 long tons in 1896-1897 to 455,000 long tons in 1910-1911; and an increase in our domestic cane crop from 242,000 long tons in 1896-1897 to 311,000 long tons in 1910-1911. It appears, therefore, that whereas in 1896 we produced 279,500 long tons of domestic sugar, we in 1910 produced in continental United States 766,000 long tons. If to this we add the sugar raised under the American flag in Hawaii, Porto Rico and the Philippines, we have a grand total of 1,629,890 long tons produced in 1910 under the fostering care of our tariff system, all of which is duty free when entering our markets. This is practically half our present consumption.

The tariff policy of the Republican Party has, therefore, served to develop:

1. The domestic sugar industry of the United States.

2. The sugar industry of Porto Rico, Hawaii and the Philippine Islands, thus enabling them to become large purchasers of the products of our farms and factories.

3. The sugar industry in Cuba, which has also increased its purchases from us by nearly 100 per cent. since the reciprocity treaty.

The following table shows the consumption of sugar in the United States in 1911:

	Tons.
Total consumption of sugar in United States.....	3,351,391
Consumption consisted of:	
Domestic cane (Louisiana and Texas).....	288,074
Domestic beet	506,825
Maple	8,000
Molasses sugar	8,910
Total domestic	811,809
Hawaii (cane), duty free	482,231
Porto Rico (cane), duty free	280,622
Philippine Islands (cane), duty free	168,408
Cuba (cane), paying 80 per cent. of full duty.....	1,409,259
Other foreign sugar, paying full duty.....	199,062

Practically our entire sugar supply thus comes from the United States, its insular possessions, and the Island of Cuba, which occupies a particularly intimate relation to the United States. At the same time our tariff on sugar is so adjusted that we obtain from it \$53,000,000 annually, or one-sixth of our total customs receipts.

EUROPEAN CONDITIONS.

During recent years about one-half the world's production of sugar, exclusive of India, comes from beets. Some years it is a trifle more; some years a trifle less. The world's crop of beet sugar is produced exclusively in Europe and the United States. The leading European countries engaged in the production of sugar are Germany, Russia, Austria and France. In these countries the industry is one hundred years old. During this entire time it has been fostered by a high tariff, by conventions and cartels.

Foremost among the European nations in the production of sugar is Germany, whose average annual plantings for the last three years amount to 1,107,000 acres, from which she has harvested an annual average crop for the same years of 2,082,000 long tons. That is, on an actual planted area equivalent to only forty-eight of our townships she produces annually about two-thirds as much sugar as the United States consumes.

The Secretary of Agriculture states officially that the area in the United States having soil and climatic conditions adapted to the production of satisfactory sugar beets is at least 274,000,000 acres—that is, we have 250 times as much land adapted to beet culture as is used by Germany in any one year in producing two-thirds as much sugar as the United States consumes.

WORLD'S CROPS OF SUGAR—1910-1911.

	Long tons.
Total cane sugar	8,411,883
European beet sugar	8,105,126
American beet sugar	455,220
Total cane and beet sugar	16,972,229

EUROPEAN BEET SUGAR CROPS—1910-1911.

Germany	2,606,122
Austria	1,538,034
France	724,897
Belgium	284,714
Holland	221,359
Russia	2,140,000
Other countries	590,000
Total tons	8,105,126

The price of sugar in Europe, either for domestic consumption or export, is not governed by the law of supply and demand. England and all the beet sugar countries of Europe are members

of the Brussels Convention, an international agreement for the regulation of the production, distribution and prices of sugar. In addition to this, Austria-Hungary maintains a system of cartels, while Russia has a most complicated system of both direct and indirect bounties. The entire commercial movement of sugar in Europe is thus controlled by a legalized international trust. The only protection which we have against the manipulation of European production and prices is our tariff. If this is removed, the producers of sugar in the United States, Porto Rico, Hawaii, the Philippines and Cuba will be placed not merely on a free trade basis, but will be compelled to suffer a handicap caused by all the different regulations which the experience of a hundred years has taught to the Europeans. There is no such thing in the commerce of the world as the free and untrammelled movement of sugar under the law of supply and demand. If the United States abolishes its duty on sugar it will stand alone among the civilized nations of the world as the only one that has sugar on the free list.

The unanimous report of the Democratic members of the Ways and Means Committee accompanying their free sugar bill gives the cost of producing refined sugar in Germany as \$2.41½ per hundred pounds, and the average cost of producing beet sugar by thirteen of the leading beet sugar companies in the United States as \$3.54 per hundred pounds. As the freight rate from Germany to New York is only 12 cents per hundred pounds, it is apparent that free trade in sugar means either that our factories must close down or that the American farmers and the laborers in our factories must accept practically the same price and wages as European farmers and laborers receive.

EFFECT OF FREE SUGAR ON OUR TRADE RELATIONS WITH CUBA.

Since 1903 we have had a reciprocity treaty with Cuba under which each republic admits the products and manufactures of the other at a 20 per cent. concession from the tariff rates imposed on similar articles imported from other countries. Under this treaty we have built up an export trade to Cuba from \$22,000,000 in the fiscal year 1903 to \$62,000,000 in the fiscal year 1912. The principal articles we export to Cuba are meat products, flour, corn, lumber, manufactures of iron, boots and shoes.

Since making this treaty we have bought practically all the sugar Cuba produces. It is her chief crop and principal source of wealth. If by putting sugar on the free list we deny to Cuba the preferential treatment now accorded her sugar, it is not to be supposed that she will continue to admit our products on the present basis. Free sugar means a virtual abrogation of our treaty with Cuba, thereby not only striking at our great and growing export trade to that island, but endangering the present cordial trade relations under which she has doubled her purchases from us.

COMPARATIVE ECONOMIC VALUE OF THE DOMESTIC AND REFINING INDUSTRIES.

A refinery simply refines raw sugar at an expense of 40 cents per hundred pounds for labor and material. This is all the service it performs. All the raw sugar it uses comes from abroad and represents investments in foreign countries using cheap labor, such as that of Java, which is paid only 10 to 12 cents per day. To buy enough raw sugar to enable the refiners to supply our 1911 consumption of sugar would cost, at the average price of the past ten years, \$183,000,000. It would take all the corn, wheat, wheat flour, bacon, hams, salt pork, cattle, fresh beef, canned beef and salted beef we exported that year to pay such a bill.

The \$100,000,000 now invested in the domestic beet sugar industry in the production of 15 per cent. of our annual consumption is all invested in the United States, and represents the capital used not merely in the act of refining, but in the

entire production of refined sugar from the beet. It corresponds to the combined investment in the refining industry and the raw sugar production. It is all home capital invested at home, and pays good American wages. To buy its products the American people send no money abroad. Paraphrasing Lincoln's celebrated statement, we would say that if we buy our sugar abroad the foreigner has the money and we have the sugar; if we make it at home we have both the money and the sugar. Moreover, there is spent in this country for labor and material in producing each 100 pounds of domestic beet sugar \$3.50 as compared with 40 cents spent for the same items in refining 100 pounds of imported raw sugar. There was actually more money spent in this country for labor and material in producing the 15 per cent. of our last year's consumption furnished by our domestic beet crop than the refiners would spend for these items if they had refined our entire consumption.

The refining industry is necessarily confined to a few seaport cities, and the entire industry is concentrated in a few corporations. The present refineries are located at Boston, New York, Philadelphia, Baltimore, New Orleans and San Francisco. The Hardwick Committee found that 88 per cent. of this entire business is under the direct or indirect control of one company.

Our seventy-one beet sugar factories are scattered throughout sixteen States, as follows: Arizona, 1; California, 10; Colorado, 17; Idaho, 4; Illinois, 1; Iowa, 1; Kansas, 1; Michigan, 17; Minnesota, 1; Montana, 1; Nebraska, 2; Nevada, 1; Ohio, 3; Oregon, 1; Utah, 6; Wisconsin, 4. The advantages of the industry are thus distributed throughout the interior of the country. As the capital required to build and operate a beet sugar factory is small compared with that used in the refining business, and as the beet sugar area of the United States is practically unlimited, the domestic sugar industry offers much better opportunity for desirable healthy competition than does the refining industry.

No other industry has been developed which works so in harmony with the national policy of irrigation and reclamation. The arid West is far removed from centers of population, and it has been difficult to develop the agricultural resources of that territory on account of the fact that freight rates to consuming markets are so high. When farmers are obliged to pay freight from these arid districts to such centers of population as Minneapolis and Chicago on the entire commodity grown from the soil there is very little profit left. When these farmers raise beets it is necessary to transport to these centers of population only from 12 to 13 per cent. of the weight of the crop in the form of the finished product. The sugar-beet crop is better able to stand the cost of transportation than is any other crop in the arid districts.

COST OF PRODUCING SUGAR IN THE UNITED STATES AND IN OTHER COUNTRIES.

Wages in the countries producing sugar for exportation are much lower than in the United States. In France the average wage of men in beet-sugar factories is about 84 cents per day. In Cuba the wage rate for factory and field labor is from 8 cents to 10 cents per hour; while in Java the daily wage is from 10 cents to 12 cents per day. To open the door to free sugar would mean that our labor must work at the same rates or we must abandon sugar production.

There are 25,000 laborers employed in the seventy-one beet sugar factories of the United States. These men have the right to the protection guaranteed them by the National Republican Platform.

In Java the cost of producing raw sugar is \$1.50 per 100 pounds.

In Cuba the cost ranges from \$1.35 per 100 pounds on the best plantations to \$2.00 per 100 pounds on the old plantations, the great bulk of Cuban sugar being produced at \$1.50 per 100 pounds.

In Germany the cost of producing raw sugar ranges from \$1.96 to \$2.07 per 100 pounds, while the average cost of producing refined sugar is \$2.25 per 100 pounds.

The cost of producing sugar in Russia, Austria and France is no greater than in Germany. Even with this low cost Europe finds it necessary to maintain a high tariff against the still cheaper sugar of the tropics.

The freight rates to the United States are: From Europe, 12 cents; from Cuba, 10 cents; from Java, 20 cents per 100 pounds.

The average cost of beet sugar produced by thirteen principal companies, operating thirty-four factories in the United States, is \$3.54 per 100 pounds. If Europe, with its experience of more than a hundred years in producing sugar, and with its own cheap labor, finds it necessary to maintain a protection against tropical sugar and tropical labor, how much more important is it for the United States, with its higher cost of production to maintain a protective tariff against the tropical countries from which we get all the sugar we do not ourselves produce.

Under the free sugar bill as passed by the House, the American beet sugar manufacturer would not only be forced to compete with the cheap foreign sugars above mentioned, but he would be under the still further handicap imposed by a bounty of 72 cents per 100 pounds on sugar shipped to the United States from Russia, the second largest beet-sugar country in the world. It must be remembered that the House bill not only places sugar on the free list, but it repeals the countervailing duty now levied against sugar receiving an export bounty by any foreign country.

HOW DOMESTIC BEET SUGAR KEEPS DOWN THE PRICE OF FOREIGN SUGAR TO THE CONSUMER.

All beet sugar made in the United States is granulated sugar—a refined product—and comes into direct competition with the output of the refiners. Every pound of sugar manufactured in the beet sugar factories of the United States lessens by that amount the output of the refineries.

Our present crop of beet sugar constitutes 15 per cent. of the entire annual consumption in the United States. It is customary to reserve a small amount of beet sugar for local markets and supply these markets nearly the entire year. The great bulk of the crop, is, however, marketed during five months of the year. As beet sugar constitutes 15 per cent. of our entire annual consumption, the beet sugar produced in this country, therefore, amounts to 36 per cent. of the entire consumption for these five months. Owing to freight conditions beet sugar is not now marketed extensively east of Buffalo and Pittsburgh, south of the Ohio River, or south of Arkansas and Oklahoma. In other words, it reaches only about one-half of our people during five months of the year. In the territory in which it does enter it therefore constitutes about 70 per cent. of the consumption during the period of active marketing. Such a large proportion of beet sugar largely fixes the price for other sugars, and as the eastern refiners cannot maintain different basing price for different sections of the United States, it becomes a predominant influence in determining the price of sugar throughout the entire United States during the five active months in which it is sold. That the beet sugar produced in this country did protect the people of the United States from the imposition of excessively high prices for sugar in 1911 is perfectly apparent, as shown by the following statement:

The entire Cuban crop of raw sugar was bought at low figures early in the summer of 1911 by eastern refiners, and they were in position to advance their price on refined sugar on the strength of European quotations, thus making an abnormal profit. Under such conditions, some refiners advanced their price from 5 cents per pound the 1st of July 1911 to 6¾ cents per pound in September-October, while others advanced their price to 7¼ cents and even 7½ cents per pound. Beet sugar

having been sold for October-November delivery at \$5.55 per 100 pounds, the eastern refiners were forced not only to stop their advances, but to lower their prices. When their cheap Cuban sugar had been exhausted, they bought Louisiana raws (domestic sugar) at a price which would enable them to compete with the \$5.55 price of beet sugar. Operating thus, they cut their price on refined sugar to \$5.75 per 100 pounds, bringing their price to the customary 20 points above beet. No better illustration can be given showing the advantage of the domestic crop in checking the grasping tendency of the refiners, and forcing them to meet competition of beet sugar. If there had been no domestic crop the eastern refiners could have continued marking up their sugar until the new Cuban sugars came on the market early in January. It is quite probable that under such circumstances the consumers in the United States would have paid at least 12 cents per pound for their sugar in the autumn of 1911.

It is quite natural, under circumstances as above outlined, that refiners look with disfavor upon the enlargement of the domestic beet sugar industry. Some refiners who appeared before the Hardwick Committee advocate a reduction in the duty on sugar; others are in favor of placing sugar on the free list. The animus behind such agitation is very apparent.

THE WONDERFUL STORY OF BEET SUGAR ABROAD AND AT HOME.

Unlike most of the world's principal food products, sugar was not handed down to us by the ancients. Prior to the time when Queen Elizabeth introduced it as an article of diet in the middle of the seventeenth century, sugar was produced in but limited quantities for use in the arts and sciences, and it sold in London at several dollars per pound. In 1750 the London price of sugar had fallen to 17½ cents per pound, but from that time the demand for this new article of diet increased so rapidly that, notwithstanding the fact that the production reached 1,000,000 tons in 1806, the price of sugar in both London and Paris had risen to 31½ cents per pound, an increase of nearly 100 per cent. in fifty-six years. At that time the world's supply came wholly from the cane of the tropics, and there is no telling what the price would be to-day had not science stepped in and revolutionized the industry.

BEET SUGAR.

In the latter part of the eighteenth century science discovered a new source of sugar supply, and due to the foresight, energy and encouragement of Napoleon Bonaparte, 334 beet sugar factories were erected in France during the years 1811 and 1812. From this beginning the beet sugar industry spread over all Europe, and now, from the Mediterranean on the south to the Baltic on the north, there are 1382 beet sugar factories on the Continent, and they produce 50 per cent. of the world's consumption of sugar.

RECENT INCREASE IN CONSUMPTION.

During the past fifty years the per capita consumption of sugar has quadrupled in the leading countries of the world, and the people of Great Britain and the United States now consume annually more than eighty pounds per capita, five-eighths of which is purchased by consumers as sugar, the balance being consumed in such articles as confectionery, chewing gum, condensed milk and bakery products.

In one century the world's consumption of sugar has risen from 1,000,000 tons to 17,000,000 tons, and if for this seventeen-fold demand we now depended on one source of supply and the crude methods which prevailed in the production of cane sugar, the price of sugar would be higher to-day than it was a century ago. In addition to discovering a new source of supply, much of the machinery which science developed in

order to extract sugar from beets was found to be applicable to the production of cane sugar, and as a result the cost of producing this commodity has so declined that in 1910 the average New York wholesale price of refined sugar was 4.97 cents per pound, or 15.7 per cent. of what it was prior to the advent of the beet sugar industry, a decline in price such as is not to be found in any other food product in the world. Based on the London and Paris prices for 1806, and the New York price for 1910, the world paid \$706,000,000 for 1,000,000 tons of sugar in 1806, and in 1910 secured an equal amount for only \$99,400,000. In other words, for less than three times the outlay, the world secured seventeen times as much sugar in 1910 than it did in 1806.

BEET SUGAR IN THE UNITED STATES.

The early attempts to introduce sugar-beet culture in the United States were failures. In 1888 the two small factories then in existence produced 1891 tons of sugar. Under the McKinley law of 1890, which provided a bounty of 2 cents a pound on domestic sugar production, four new factories were erected, and when the bounty was repealed the six factories were producing 20,000 tons of sugar a year.

Under the ad valorem Wilson law of 1894 no new factories were erected. The Dingley law of 1897 fixed the rate of duty on 96 degree foreign raw sugar at 1.68½ cents per pound, and as a direct result of this legislation, nearly, if not quite, \$100,000,000 has been invested in the domestic beet sugar industry.

At the present time (1912) there are seventy-five beet-sugar factories in the United States, located in eighteen States. In 1911 these factories purchased 4,800,000 tons of beets, grown on 480,000 acres of land, and manufactured 1,200,000,000 pounds (600,000 tons) of white granulated sugar, ready for the table, worth, at 5 cents per pound, \$60,000,000. During each operating season, these factories employ 25,000 mechanics and laborers in and about the factories, disburse \$29,000,000 for sugar beets and half as much more for labor, fuel, supplies, freights, etc. Since the enactment of the Dingley law, these factories have produced 4,000,000 tons of sugar, and, estimating the average cost of production at 4 cents per pound during this period, they have distributed \$320,000,000 to American farmers, mechanics and laborers, practically all of which would have been sent to foreign countries but for the establishment of the beet-sugar industry in the United States. Notwithstanding the existence of this new source of supply and the increased production of cane sugar in our insular possessions, we continue to send \$100,000,000 annually to foreign countries for the purchase of sugar which can be produced at home to the great enrichment of American farmers and American industry generally.

CONSUMPTION OF SUGAR IN THE UNITED STATES.

The United States is the greatest sugar market in the world, its people annually consuming 3,350,000 tons of sugar, or one-fifth of the total world production of 17,000,000 tons.

Of the sugar consumed in the United States, more than one-half is produced in the United States and in its insular possessions, the balance being purchased from foreign countries, mostly from Cuba.

BEET SUGAR POSSIBILITIES OF THE UNITED STATES.

The well-defined sugar-beet area of the United States extends from Maine to California. It covers 270,000,000 acres, and the planting of one of these acres out of each 200 to sugar beets would supply us with all the sugar which we are now compelled to purchase abroad.

The \$100,000,000 which we send abroad annually for the

purchase of sugar which we could produce at home from 1,400,000 acres of sugar beets, absorbs the entire gross proceeds which our farmers derive from 8,000,000 acres of wheat.

INDIRECT AGRICULTURAL BENEFITS OF SUGAR BEET CULTURE.

The annual distribution of an extra \$100,000,000 to American farmers and laborers is not the only, nor is it the principal, gain which would come to the American people through producing their entire sugar supply at home. Each of the 1382 European and seventy-five American beet-sugar factories is an agricultural experiment station which teaches the farmers better methods of agriculture, not only in the culture of sugar beets, but of all crops.

The cultivation of sugar beets not only provides the farmer with one of his most profitable money crops, but it so prepares and enriches his land that for a series of years it produces a greatly increased yield of all other crops which follow. Although the natural soil and climatic conditions of Europe are greatly inferior to those of the United States, through the introduction of sugar-beet culture their worn out soils have been so rejuvenated that they now produce a much greater tonnage of all crops.

In 1909, Germany, the largest sugar producing country in the world, produced 30.5 bushels of wheat to the acre to our 15.8 bushels; 59 bushels of oats to our 30.3 bushels; 39.5 bushels of barley to our 24.3 bushels; 28.8 bushels of rye to our 16.1 bushels, and 208.9 bushels of potatoes to our 106.8 bushels. From 42,000,000 acres devoted to these five crops in 1909, German farmers harvested 3,000,000,000 bushels, while from 92,000,000 acres American farmers harvested but 2,300,000,000 bushels.

Wherever sugar beets have been grown in the United States the yields of other crops grown in rotation have increased more rapidly than they increased in Germany, and oftentimes have far exceeded the German yields. If, through the general introduction of sugar-beet culture our worn-out soils were made to equal the German acreage yields, based on the United States farm value in 1909, without extending their acreage, but solely through the value of the excess yield, our farmers would be richer by \$1,340,000,000 a year.

SUGAR BEET INDUSTRY INCREASES VALUE OF REAL ESTATE.

The location of beet-sugar factories builds up prosperous communities, increases trade and railroad traffic and enhances the value of both towns and farm property. Mr. George K. Holmes, of the Bureau of Statistics, United States Department of Agriculture, made a study of the increase in farm values in every township in the United States, from 1900 to 1905, and the results were published in Bulletin 44 of the department. This investigation showed the following results:

Comparison of Average Values Per Acre of Farms Devoted to General Farming and to Sugar-Beet Growing—1900-1905.

	General farming.		Sugar beet farms.	
	1900.	1905.	1900.	1905.
California (a)-----	\$42.54	\$54.10	\$136.80	\$195.00
Colorado (a)-----	33.67	49.78	40.84	89.03
Utah (a)-----	63.02	84.08	111.25	150.83
Oregon (a)-----	23.91	36.70	42.22	66.11
Michigan (b)-----	30.76	38.50	45.55	55.00
Nebraska (b)-----	24.85	33.98	27.33	45.83

(a) Irrigated farms only.

(b) All farms.

UNITED STATES AND EUROPEAN COSTS OF LABOR AND BEETS.

The average wage rate on European farms and in European beet-sugar factories is but a fraction of the wage paid for corresponding work in the United States. In Germany, the average factory wage is 70 cents per day, while in the United States it is \$2.72, or nearly fourfold. The wage rates for field labor show an even greater contrast. During the past five years the average price of contract beets throughout Germany has been \$4.49 per 2000-pound ton of beets, which are materially richer than the beets grown in the newer soils of the United States, where the cost of beets now averages \$6.00 per ton laid down at the factory.

PRICE OF SUGAR IN THE UNITED STATES AND IN EUROPE.

While the present rate of duty on sugar is sufficient to maintain the beet-sugar industry and encourage its expansion, it does not result in high prices to the consumer. In fact, sugar is so taxed in European sugar producing countries that both their wholesale and their retail prices are much higher than they are in the United States.

The Department of Commerce and Labor recently collected and published the wholesale prices of sugar in various European countries for the year 1910. To these quotations have been added the London quotation of Lyle's granulated No. 1, and the New York wholesale price of standard granulated sugar, duty paid. The quotations show the average price for the year 1910, except for Italy and Spain, which are for the year 1909, and are as follows:

Country.	Cities where quoted.	Sugar designated.	Wholesale price per pound.
			Cents.
Italy -----	Genoa -----	Refined -----	11.60
Spain -----	Barcelona -----	Prime granulated -----	9.56
Russia -----	St. Petersburg -----	Refined -----	7.77
Austria -----	Vienna -----	Prime refined -----	7.43
France -----	Paris -----	Refined in loaves -----	6.23
Germany -----	Magdeburg -----	Refined, lump -----	5.11
United States -----	New York -----	Standard hard granulated -----	4.97
Canada -----	Montreal -----	Extra granulated -----	4.96
United Kingdom -----	London -----	Tate's Cubes No. 1 -----	4.67
United Kingdom -----	London -----	Lyle's granulated -----	4.24

It will be seen from the above that the price of granulated sugar is much higher in continental Europe than in the United States, and that in the United Kingdom, which produces no sugar, but purchases its supply in the cheapest markets of the world, the wholesale price of granulated sugar was but a fraction of one cent per pound lower than it was in New York.

SUGAR PRICES IN THE UNITED STATES AS AFFECTED BY DOMESTIC PRODUCTION.

In the fall of 1911 it became apparent that as a result of the drought in European sugar producing countries their sugar crop would be short a million or more tons, and the New York wholesale price of refined sugar made from foreign raw sugar advanced 2 cents per pound in a few weeks, reaching 7 $\frac{1}{4}$ to 7 $\frac{1}{2}$ cents per pound the latter part of September. In October the domestic beet-sugar factories began operating and marketing their product, shipping portions of it to the Atlantic Coast, with the result that the New York wholesale price of imported sugar dropped to 6.11 cents in November, 5.63 cents in December, 5.38 cents in January, and 5 $\frac{1}{2}$ cents in February and March, thereby saving American consumers tens of millions of dollars on the 1,500,000 tons of sugar which they purchased during those few months.

For three to five months in each year the marketing of domestic beet sugar has the same effect on the price of imported sugar that the Erie Canal and the Great Lakes have on railroad freight rates. When navigation opens, freight rates go down, and when navigation closes, freight rates go up. When domestic beet sugar comes onto the market the price of imported sugar goes down, and when the domestic sugars are sold out the price of imported sugar goes up. If navigation could be kept open continuously, freight rates would be lower all the year instead of during a portion of it, and if the home beet-sugar production was sufficient to last for twelve months, the price of sugar would be lower throughout the year.

To destroy the domestic beet-sugar industry of the North and the domestic cane-sugar industry of the South, thereby reducing the world's production by nearly one million tons a year, necessarily would raise materially the world price of sugar to the consumer. Permanently lower prices for sugar in the United States and freedom from European speculative markets can only be secured by producing our sugar under the American flag.

Every dollar sent abroad to purchase goods that we can produce at home makes us a dollar the poorer.—H. K. Thurber, in the "American Economist."

Above all things we should avoid the demagogue as a pestilence and take counsel only of reason and right.—Hon. C. W. Fairbanks, at St. Paul, Minn., August 31, 1903.

Laying aside the fact that trusts are organized under English free trade, as well as German, Austrian and American protection, it is susceptible of absolute demonstration that American free trade would operate in the interests of trusts and against the interest of American labor.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

No matter how capital combines or how labor combines or how they differ among themselves, their interests are inseparable, and it ought to be plain to both that they cannot afford to go out of business in favor of foreign labor and foreign capital by abandoning the policy of protection.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

Not the least of the causes of high cost of subsistence is increased price of land in the West. Land that has grown in value from \$20 an acre to \$200 calls for a higher price level in the grain and fruit and meat that it yields, or, on the other side of the equation, the greater demand for supplies, without being accompanied by commensurate supply, raises the value of the source of the supply.—Portland "Oregonian."

The Democrats are a party having no solidarity, uniting elements that are as unmixable as oil and water, and when they come to make a government, should they ever be elected to power, the administration would become as nerveless as a man stricken with paralysis, because the radical difference between the elements necessary to make up the party would be so great as to produce perfect stagnation in legislative provision for the emergencies which might arise. The Democratic party to-day, as organized, is nothing but organized incapacity. Neither element of the party would have a sense of responsibility strong enough to overcome its antagonism to the principles upheld by the other faction were it to come into power.—Hon. Wm. H. Taft, at Montpelier, Vt.

Compared with the average German workingman, the average British workingman is a pauper. This flat-footed statement is made in the "Fortnightly Review" by a writer who has taken the trouble to investigate industrial conditions in both countries. The results of his inquiries have more than a mere academic interest for the people of the United States, because Germans have no doubt that their prosperity is due to protection, while a majority of Englishmen believe their good fortune, so-called, is attributable to free trade. In Germany protection is about thirty years old. Coal and iron ore are mined in both countries. Thirty years ago Germany produced about 7,000,000 tons of iron ore, as against 18,000,000 mined by Great Britain. In 1908 the figures were: Germany, 24,225,000; Great Britain, 15,031,000. As a coal producer also the German is fast overhauling his British rival. It would be difficult to imagine anything more significant than the records of coal consumption. In 1880, Great Britain consumed 72,000,000 tons more than Germany; in 1907, 13,000,000 less. Statistics show that for every unemployed worker in Germany there are three in England. They show that while in the metal trades Germany has found employment for 700,000 additional workers, England has provided for but 15,000 additions. In other pursuits the same story is told.—Brooklyn "Eagle," Democrat.

THE TIN-PLATE INDUSTRY.

Established under McKinley Protection, Checked by Democratic Free Trade, it has Effected a Saving of \$35,000,000 to the Country and Now Gives Employment to 17,000 people, Who Earn \$10,000,000 a Year in Wages.

By B. E. V. LUTY, Pittsburgh.

The American tin-plate industry is the best illustration of the benefit of a protective tariff. It is for this reason that it used to be singled out by the Democrats for especially vicious attack.

The protective duty upon tin-plate was established by the McKinley tariff act approved October 1, 1890. This law increased the duty from one cent to two and two-tenths cents per pound, effective July 1, 1891, but provided that upon October 1, 1897, tin plates should become altogether free of duty, unless during one of the fiscal years between July 1, 1891, and July 1, 1897, the quantity of tin-plate made in the United States should equal one-third of the tin-plate imported during any one of those years. In other words, unless the United States should in the best of the six years make as much as one-third of the tin-plate imported in the poorest of those years, not only the protective duty, but all duty, should come off. The requisite condition was met by the fiscal year ended June 30, 1895, its production having greatly exceeded one-third of the net imports of 1892.

Immediately upon the enactment of the McKinley law the erection of tin-plate plants began, and the industry made rapid strides. Repeated efforts had been made to manufacture tin-plate in the United States under the old revenue duty of one cent a pound, and these had all failed. There was no question that the 2.2-cent duty was required in order to establish the industry, but such changes occurred that when the Wilson-Gorman bill of August 28, 1894, reduced the duty, as of October 1, 1904, to 1.2 cents, the industry still strove. Great improvements had been made in processes of manufacture, through the opportunity afforded to experiment; hard times had brought down the cost of steel, and there were heavy wage reductions, directly growing out of the reduction in the duty. A wage agreement had been made between the manufacturers and the Amalgamated Association of Iron, Steel and Tin Workers for the year July 1, 1894, to June 30, 1895, prescribing certain rates of wages, but to become inoperative in case the duty on tin-plate should be reduced, and after a prolonged strike, beginning October 1, 1894, there was a heavy reduction in tin-plate wages.

By the middle of 1895 American tin-plate was selling in many markets at less than the prices asked for imported tin-plate in the same markets. In some districts, where the freight from American mills was much greater than the freight from Welsh mills, the price of imported tin-plate made the market, but as regards the bulk of the tonnage the American product undersold the foreign. This was with a duty of 1.2 cents a pound, contrasted with the old revenue duty of one cent a pound. On account of the virtual loss of the American market, Welsh tin-plate was undoubtedly selling at much lower prices in all markets than would have been the case if the United States had not started to make tin-plate. This much more than offset the increase in the duty.

Within a very few years, therefore, the reduction in the Welsh price of tin-plate, due to decreased demand from the loss of the American market, and the fact of American tin-plate sell-

ing at less than the price of imported tin-plate, made it that the American consumer paid less for his tin-plate, on an average, than would have been the case if the McKinley duty had not been enacted and tin-plate manufacture had not been established in the United States. Since the time that the account balanced, American consumers have been regularly obtaining their tin-plate at much lower prices than would have otherwise prevailed.

When the Ways and Means Committee was considering the tariff, preparatory to the formulation of the Payne bill of 1909, the tin-plate manufacturers appeared and voluntarily suggested a reduction in the duty from 1.5 cents to 1.2 cents per pound, pointing out that the higher duty was unnecessary and ineffective in that American tin-plate was selling at so much less than the foreign, but that a reduction below 1.2 cents could not be borne without a reduction in wages. The reduction was accordingly made.

In the following table are given the imports of tin-plate and the American production, in gross tons of 2,240 pounds, by calendar years:

	Imports	Production
1889.....	331,311	
1890.....	329,435	
1891.....	327,882	552
1892.....	268,472	18,803
1893.....	253,155	55,182
1894.....	215,068	74,260
1895.....	119,545	113,666
1896.....	119,171	160,362
1897.....	83,851	256,598
1898.....	67,222	326,915
1899.....	58,915	397,767
1900.....	60,386	302,665
1901.....	77,395	399,291
1902.....	60,115	366,000
1903.....	47,360	480,000
1904.....	70,652	458,000
1905.....	65,740	493,500
1906.....	56,983	577,562
1907.....	57,773	514,775
1908.....	58,490	537,087
1909.....	62,593	611,959
1910.....	66,640	722,770
1911.....	14,099	*700,000
1912.....	*2,000	*800,000

*Estimated.

TIN-PLATE PRICES.

Average yearly price of J. B. grade coke tin-plates, 14 x 20 I C., 108 pounds, delivered at New York:

1880.....	\$6.75
1881.....	5.45
1882.....	5.30
1883.....	5.10
1884.....	4.70
1885.....	4.40
1886.....	4.30
1887.....	4.60
1888.....	4.55
1889.....	4.55

Imported Bessemer Cokes, 14 x 20, 108 lbs.

1890.....	4.80
1891.....	5.34
1892.....	5.30
1893.....	5.37
1894.....	4.89
1895.....	3.87

American Bessemer Cokes, 14 x 20, 108 lbs.

1896.....	3.63
1897.....	3.26
1898.....	2.99
1899.....	4.41
1900.....	4.82
1901.....	4.35
1902.....	4.28
1903.....	4.09
1904.....	3.76
1905.....	3.85
1906.....	4.04
1907.....	4.25
1908.....	4.05
1909.....	3.83
1910.....	3.91
1911.....	3.92
1912 (on July 1).....	3.84

Both the Welsh and American tin-plate makers use Straits pig tin for coating. This commodity averaged 15.64 cents per pound in 1898, the year of lowest average tin-plate prices, while July 1, 1912, it stood at 47 cents. This advance in pig tin increased the cost of making a box of tin-plates by about 70 cents, which increased cost falls alike upon Welsh and American makers. From the average price of tin-plate in 1898, \$2.99, to the price on July 1, 1912, \$3.84, the advance was 85 cents per box, but 70 cents of this is due to the increased cost of pig tin; wages and the cost of various other supplies have advanced much more than the remaining 15 cents, so that relative to conditions tin-plate is cheaper even than in 1898, and it is of course very much cheaper than in the years before tin-plate making was introduced into the United States. It should be noted, furthermore, that when tin-plate was imported, the New York price was the lowest in the country, deliveries at inland points being higher on account of the freight, whereas to-day the New York price is 19 cents above the base price at Pittsburgh.

There is no question that tin-plate has cost the consumer in the 21 years which have elapsed since the McKinley protective duty was imposed much less than if the protective duty had not been imposed and the old revenue duty had been continued.

Tin-plate at Present.

The following table gives the cost, delivered Pittsburgh, of the quantity of tin-plate required to make the articles named:

	Cents.
Ordinary 2-lb. or No. 2 can.....	0.90
Ordinary 3-lb. or No. 3 can.....	1.28
Half-pint tin cup.....	.76
Quart tin cup.....	1.28
3-qt. dinner pail.....	4.25
3-qt. dinner pail, plus 1-pt. cup.....	5.04

The tin-plate required for the famous dinner pail, therefore, costs only what the workman pays for an ordinary street car fare.

I have always wondered why the idea of recall of judges was not carried out to its logical consequences. If we, the people, are to have the right to protect ourselves in this fashion against erring judges, why would it not be more safe to compel a court, before it renders its decision, to announce to the people what it is about to do, in order that opportunity may be given to recall the judges before the mischief is done? That would be consistent with the main idea, and would ultimately dispense with the necessity for having any courts at all.—Hon. Charles Nagel.

CAMPAIGN CONTRIBUTIONS AND PUBLICITY, WITH REFERENCE TO RECEIPTS AND EXPENDITURES.

Much is still said upon the question of campaign contributions and publicity with reference thereto. A careful analysis, however, of the utterances and pledges of the two parties upon this subject shows that the Democratic promises have been in all cases vague and specious, and in such terms as to really supply little of the publicity which they purport to supply; while the Republicans have already actually prohibited, through Republican legislation in Congress, corporation contributions to campaign funds and provided for absolute publicity far in excess of that vaguely promised by the Democratic candidate and committee.

The Bryan-Taft Correspondence on Publicity.

The public campaign for publicity was begun by Mr. Bryan, when on May 27, 1908, he sent to Mr. Taft the following telegram:

"I beg to suggest that, as leading candidates in our respective parties, we join in asking Congress to pass a bill requiring publication of campaign contributions prior to election. If you think best we can ask other candidates to unite with us in the request."

To this Mr. Taft replied:

"Your telegram received. On April 30th last, I sent the following letter to Senator Burrows, the Chairman of the Committee on Privileges and Elections of the Senate:

"My dear Mr. Burrows: I sincerely believe that it would greatly tend to the absence of corruption in politics if the expenditures for nomination and election of all candidates and all contributions received and expenditures made by political committees could be made public, both in respect to State and National politics. For that reason I am strongly in favor of the passage of the bill which is now pending in the Senate and House, bringing about this result so far as national politics is concerned. I mark this letter personal because I am anxious to avoid assuming an attitude in the campaign which it is quite possible I shall never have the right to assume, but so far as my personal influence is concerned I am anxious to give it for the passage of the bill.

"Very sincerely yours, WILLIAM H. TAFT."

"Since writing the above, in answer to inquiry, I have said publicly that I hoped such a bill would pass."

Corporation Contributions.

The next step in the Democratic campaign with reference to election funds was the insertion in their platform adopted at Denver in July, 1908, of the following plank:

"We pledge the Democratic Party to the enactment of a law prohibiting any corporation from contributing to the campaign fund, and any individual from contributing an amount above a reasonable amount and providing for the publication before election of all contributions above a reasonable minimum."

In taking this second step with reference to campaign funds and pledging the Democratic Party to the enactment of a law prohibiting any corporation from contributing to the campaign fund, Mr. Bryan and his associates seem quite as late as Mr. Bryan was personally in his proposal to Mr. Taft, since it is a fact that the Republican Party in Congress had, *more than a year before the meeting of the Democratic convention*, passed in both houses and enacted into law the very proposition which the Democracy pledged themselves to accomplish, viz.: "prohibiting any corporation from contributing to a campaign fund." The law enacted by a Republican House and a Republican Senate in January, 1907, and signed by a Republican President on Jan-

uary 26, 1907, did the very thing demanded by the Democratic convention of 1908, and did it eighteen months prior to the meeting of that convention. The Act passed in January, 1907, by a Republican House and a Republican Senate and signed by a Republican President January 26, 1907, is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any national bank or any corporation organized by authority of any laws of Congress to make a money contribution in connection with any election to any political office. It shall also be unlawful for any corporation whatever to make a money contribution in connection with any election at which Presidential and Vice-Presidential electors or a Representative in Congress is to be voted for or any election by any State Legislature of a United States Senator. Every corporation which shall make any contribution in violation of the foregoing provisions shall be subject to a fine not exceeding five thousand dollars, and every officer or director of any corporation who shall consent to any contribution by the corporation in violation of the foregoing provisions shall upon conviction be punished by fine of not exceeding one thousand and not less than two hundred and fifty dollars, or by imprisonment for a term of not more than one year, or both such fine and imprisonment in the discretion of the court.

Thus in the second step in the Democratic campaign with reference to political funds, they find themselves following along lines in which the Republicans had already taken action.

Publicity Before Election.

Not only had the Republicans long before this recommendation of the Democratic National Convention enacted a law prohibiting corporation contributions to campaign funds, but the Republican Party in the House had, by unanimous vote of its members, passed an act requiring complete publicity of all campaign contributions, this publicity to be made through statements filed with the Clerk of the House of Representatives **NOT LESS THAN TEN DAYS BEFORE THE ELECTION FOR WHICH THESE FUNDS WERE CONTRIBUTED.** *Every vote cast for this bill was cast by a Republican, and every vote cast against it was cast by a Democrat.*

While the Democratic vote was ostensibly cast against the bill because of the fact that it required a report from the Census with reference to the number of votes cast in Southern States and a comparison thereof with the number of white and colored citizens of voting age, the fact remains that the Democratic party in Congress, irrespective of sectional lines, preferred to sacrifice complete publicity in campaign contributions and expenditures rather than couple with it publicity regarding the suppression, by their own party leaders, of the elective franchise as guaranteed by the Constitution of the United States.

The Publicity Bill Passed by Republican Votes in the House and Opposed by all Democrats.

A bill (H. R. 20112) providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected, prohibiting fraud in registrations and elections, and providing data for the apportionment of Representatives among the States.

Be it enacted, etc., That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national Congressional campaign committees of all political parties and all committees, associations, or organizations which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected.

SEC. 2. That every political committee as defined in this act shall have a chairman and a treasurer. It shall be the duty of the treasurer to keep a detailed and exact account of all money or its equivalent received by or promised to such committee or any member thereof, or by or to any person acting under its authority in its behalf, and the name of every person, firm, association, or committee from whom received, and of all expenditures, disbursements, and promises of payment or disbursement made by the committee or any member thereof, or by any person acting under its authority or in its behalf, and to whom paid, distributed, or disbursed. No officer or member of such committee, or other person acting under its authority or in its behalf, shall receive any money or its equivalent, or expend or promise to expend any money on be-

half of such committee until after a chairman and treasurer of such committee shall have been chosen.

SEC. 3. That every payment or disbursement made by a political committee exceeding \$10 in amount be evidenced by a receipted bill stating the particulars of expense, and every such record, voucher, receipt, or account shall be preserved for fifteen months after the election to which it relates.

SEC. 4. That whoever, acting under the authority or in behalf of such political committee, whether as a member thereof or otherwise, receives any contribution, payment, loan, gift, advance, deposit, or promise of money or its equivalent, shall, on demand, and in any event within five days after the receipt of such contribution, payment, loan, gift, advance, deposit, or promise, render to the treasurer of such political committee a detailed account of the same, together with the name and address from whom received, and said treasurer shall forthwith enter the same in a ledger or record to be kept by him for that purpose.

SEC. 5. That the treasurer of such political committee shall, not more than fifteen days and not less than ten days before an election at which Representatives in Congress are to be elected in two or more States, file in the office of the Clerk of the House of Representatives at Washington, D. C., with said Clerk, an itemized detailed statement, sworn to by said Treasurer and conforming to the requirements of the following section of this act. It shall also be the duty of said treasurer to file a similar and final statement with said Clerk within thirty days after such election, such final statement also to be sworn to by said treasurer, and to conform to the requirements of the following section of this act. The statements so filed with the Clerk of the House shall be preserved by him for fifteen months, and shall be a part of the public records of his office, and shall be open to public inspection.

SEC. 6. That the statements required by the preceding section of this act shall state:

First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent thereof, either in one or more items, money or its equivalent of the aggregate amount or value of \$100 or more;

Second. The total sum contributed, promised, loaned, or advanced to such political committee, or to any officer, member, or agent thereof, in amount less than \$100;

Third. The total sum of all contributions, promises, loans, and advances received by such political committee or any officer, member, or agent thereof;

Fourth. The name and address of each person, firm, association, or committee to whom such political committee, or any officer, member, or agent thereof, has disbursed, distributed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of \$10 or more, and the purpose thereof;

Fifth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof, where the amount or value of such disbursement, distribution, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than \$10;

Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee or any officer, member, or agent thereof.

SEC. 7. That every person, firm, association, or committee, except political committees as hereinbefore defined, that shall expend or promise any sum of money or other thing of value amounting to \$50 or more for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, unless he or it shall contribute the same to a political committee as hereinbefore defined, shall file the statements of the same under oath as required by section 6 of this act in the office of the Clerk of the House of Representatives, at Washington, D. C., which statements shall be held by said clerk in all respects as required by section 5 of this act.

SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, all personal expenses for his traveling and for purposes incidental to traveling, for stationery and postage, and for telegraph and telephone service, without being subject to the provisions of this act.

SEC. 9. That the foregoing provisions of this act shall not apply to the proprietors and publishers of publications issued at regular intervals in respect to the ordinary conduct of their business, and nothing contained in this act shall limit or affect the right of any person to spend money for proper legal expenses in maintaining or contesting the results of any election.

SEC. 10. That every person willfully violating any of the foregoing provisions of this act shall, upon conviction, be fined not more than \$1,000 or imprisoned not more than one year, or both.

SEC. 11. That if, at any election for Representative or Delegate in Congress, or at any primary election for the nomination of a candidate for Representative or Delegate in Congress held in pursuance of State or Territorial law, any person knowingly personates and votes, or attempts to vote, in the name of any other person, whether living, dead, or fictitious; or votes, more than once at the same election, or primary election, for any

candidate for the same office; or votes at a place where he may not be lawfully entitled to vote; or votes without having a lawful right to vote; or does any unlawful act to secure an opportunity to vote for himself, or any other person; or by force, threat, intimidation, bribery, reward, or offer thereof, unlawfully prevents any qualified voter of any State or of any Territory from freely exercising the right of suffrage, or by any such means induces any voter to refuse to exercise such right, or compels or induces by any such means any officer of an election or primary election in any such State or Territory to receive a vote from a person not legally qualified or entitled to vote, or interferes in any manner with any officer of such election or primary election in the discharge of his duties, or by any such means or other unlawful means induces any officer of an election or primary election, or officer whose duty it is to ascertain, announce, or declare the result of such election or primary election, or give or make any certificate, document, or evidence in relation thereto, to violate or refuse to comply with his duty or any law regulating the same, or knowingly receives the vote of any person not entitled to vote, or refuses to receive the vote of any person entitled to vote, or aids, counsels, procures, or advises any such voter, person, or officer to do any act hereby made a crime or omit to do any duty the omission of which is hereby made a crime, or attempts to do so, he shall be punished by a fine of not more than \$500 or by imprisonment not more than three years, or by both, and shall pay the costs of the prosecution.

SEC. 12. That if at any registration of voters for an election for Representative or Delegate in Congress, or for any primary election for the nomination of a candidate for Representative or Delegate in Congress held in pursuance of State or Territorial law, any person knowingly personates and registers, or attempts to register in the name of any other person, whether living, dead, or fictitious, or fraudulently registers or fraudulently attempts to register, not having a lawful right so to do, or does any unlawful act to secure registration for him or any other person, or by force, threat, menace, intimidation, bribery, reward, or offer, or promise thereof, or other unlawful means, prevents or hinders any person having a lawful right to register from duly exercising such right, or compels or induces by any of such means, or other unlawful means, any officer of registration to admit to registration any person not legally entitled thereto, or interferes in any manner with any officer of registration in the discharge of his duties, or by any such means, or other unlawful means, induces any officer of registration to violate or refuse to comply with his duty or any law regulating the same, or if any such officer knowingly and willfully registers as a voter any person not entitled to be registered, or refuses to so register any person entitled to be registered, or if any such officer or other person who has any duty to perform in relation to such registration or election or primary election, in ascertaining, announcing or declaring the result thereof, or in giving or making any certificate, document, or evidence in relation thereto, knowingly neglects or refuses to perform any duty required by law, or violates any duty imposed by law, or does any act unauthorized by law relating to or affecting such registration or election or primary election, or the result thereof, of any certificate, document, or evidence in relation thereto, or if any person aids, counsels, procures, or advises any such voter, person, or officer to do any act hereby made a crime, or to omit any act the omission of which is hereby made a crime, every such person shall be punished by a fine of not more than \$500 or by imprisonment not more than three years, or by both, and shall pay the costs of the prosecution.

Every registration made under the laws of any State or Territory for any State or other election, or primary election at which such Representative or Delegate in Congress may be nominated or elected, shall be deemed to be a registration within the meaning of this section, notwithstanding such registration is also made for the purposes of any State, Territorial, or municipal election, or primary election.

SEC. 13. That every officer of an election at which any Representative or Delegate in Congress is voted for, or any primary election for the nomination of a candidate for Representative or Delegate in Congress, whether such officer of election be appointed or created by or under any law or authority of the United States, or by or under any State, Territorial, district, or municipal law or authority, who neglects or refuses to perform any duty in regard to such election or primary election required of him by any law of the United States, or of any State or Territory thereof, or who violates any duty so imposed, or who knowingly does any acts thereby unauthorized with intent to affect any such election or primary election or the result thereof, or who fraudulently makes any false certificate of the result of such election or primary election in regard to such Representative or Delegate, or who withholds, conceals, or destroys any certificate of record so required by law respecting the election of any such Representative or Delegate or primary election for the nomination of a candidate for such Representative or Delegate, or who neglects or refuses to make and return such certificate as required by law, or who aids, counsels, procures, or advises any voter, person, or officer to do any act by sections 11 or 12 thereof made a crime, or to omit to do any duty the omission of which is by this or any of such sections made a crime, or attempts to do so, shall be punished by a fine of not more than \$500 or by imprisonment not more than three years, or by both, and shall pay the costs of the prosecution.

SEC. 14. That for the purpose of enabling Congress to apportion Representatives among the several States in accordance with the plan provided in the second section of the fourteenth amendment to the Constitution, the Director of the Census, as soon as practicable after each decennial census of population, shall submit to Congress a report of the population by States as shown by such census, which report shall also show the number of male citizens, white and colored, respectively, in each State, 21 years of age and over, the number of such male citizens in each State found to be illiterate, the number of votes cast by male citizens in each Congressional

district at the last preceding general election, the number of such male citizens in each State that had not complied with the registration and election laws therein requiring the payment of a poll or property tax as a condition precedent to the right to register or vote, and the number of such male citizen in each State to whom the right to vote at any election for the choice of electors for President and Vice-President of the United States, Representatives in Congress, the executive and judicial offices of the State or members of the Legislature thereof, has been denied or in any way abridged except for participation in crime.

SEC. 15. That all prosecutions under this act shall be commenced within one year after the commission of the offense, and shall be brought in the United States circuit court within the district in which such offense occurred.

The bill passed the Republican House, the Republicans voting solidly in the affirmative, including the Speaker, the Democrats in the negative.

In the Senate the bill was referred to the Committee on Privileges and Elections and was not reported because of the threat of Democratic Senators that they would filibuster and kill it by talking it to death.

New York World of May 28, 1908, says of the Democratic vote in the House of Representatives against the bill providing for the publicity of campaign contributions:

"They proved by their votes that they are much less agitated about full publicity of campaign contributions than about full publicity of negro disfranchisement."

The bill in the much amended form, as finally passed by the Senate and enacted into law, is as follows. It became a law by the signature of President Taft on June 25, 1910:

An Act providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national congressional campaign committees of all political parties and all committees, associations, or organizations which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected.

SEC. 2. That every political committee as defined in this act shall have a chairman and a treasurer. It shall be the duty of the treasurer to keep a detailed and exact account of all money or its equivalent received by or promised to such committee or any member thereof, or by or to any person acting under its authority or in its behalf, and the name of every person, firm, association, or committee from whom received, and of all expenditures, disbursements and promises of payment or disbursement made by the committee or any member thereof, or by any person acting under its authority or in its behalf, and to whom paid, distributed, or disbursed. No officer or member of such committee, or other person acting under its authority or in its behalf, shall receive any money or its equivalent, or expend or promise to expend any money on behalf of such committee, until after a chairman and treasurer of such committee shall have been chosen.

SEC. 3. That every payment or disbursement made by a political committee exceeding ten dollars in amount be evidenced by a receipted bill stating the particulars of expense, and every such record, voucher, receipt, or account shall be preserved for fifteen months after the election to which it relates.

SEC. 4. That whoever, acting under the authority or in behalf of such political committee, whether as a member thereof or otherwise, receives any contribution, payment, loan, gift, advance, deposit, or promise of money or its equivalent shall, on demand, and in any event within five days after the receipt of such contribution, payment, loan, gift, advance, deposit, or promise, render to the treasurer of such political committee a detailed account of the same, together with the name and address from whom received, and said treasurer shall forthwith enter the same in a ledger or record to be kept by him for that purpose.

SEC. 5. That the treasurer of every such political committee shall, within thirty days after the election at which representatives in Congress were chosen in two or more States, file with the Clerk of the House of Representatives at Washington, District of Columbia, an itemized, detailed statement, sworn to by said treasurer and conforming to the requirements of the following section of this act. The statements so filed with the Clerk of the House of Representatives shall be preserved by him for fifteen months, and shall be a part of the public records of his office, and shall be open to public inspection.

SEC. 6. That the statements required by the preceding section of this act shall state:

First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent thereof, either in one or more items, money or its equivalent of the aggregate amount or value of one hundred dollars or more.

Second. The total sum contributed, promised, loaned or advanced to such political committee, or to any officer, member or agent thereof, in amounts less than one hundred dollars.

Third. The total sum of all contributions, promises, loans, and advances received by such political committee or any officer, member, or agent thereof.

Fourth. The name and address of each person, firm, association, or committee to whom such political committee or any officer, member, or agent thereof has disbursed, distributed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of ten dollars or more, and the purpose thereof.

Fifth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee or any officer, member, or agent thereof, where the amount or value of such disbursement, distribution, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than ten dollars.

Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee or any officer, member, or agent thereof.

SEC. 7. That every person, firm, association, or committee, except political committees as hereinbefore defined, that shall expend or promise any sum of money or other thing of value amounting to fifty dollars or more for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, unless he or it shall contribute the same to a political committee as hereinbefore defined, shall file the statements of the same under oath, as required by section six of this act, in the office of the Clerk of the House of Representatives, at Washington, District of Columbia, which statements shall be held by said Clerk in all respects as required by section five of this act.

SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected all personal expenses for his traveling and for purposes incidental to traveling, for stationery and postage, and for telegraph and telephone service without being subject to the provisions of this act.

SEC. 9. That nothing contained in this act shall limit or affect the right of any person to spend money for proper legal expenses in maintaining or contesting the results of any election.

SEC. 10. That every person wilfully violating any of the foregoing provisions of this act shall, upon conviction, be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Approved, June 25, 1910.

The present Congress has followed about the same course with reference to this subject as on all other vital subjects; it did just enough to make a noise about, but not enough to make a law. The Democratic House passed a bill based in part on that passed by the Republican House two years ago, including the publicity-before-election proposition, but carefully excluding the feature which provided for an adjustment of the representation in Congress based upon the number of votes cast—for no Southern Democrat would agree to that. A large proportion of the Republicans in the House voted for the bill, however, but it has not yet been acted upon in the Senate, and therefore practically all the legislation now on the statute books providing for publicity as to campaign funds and expenses is the work of the Republican party.

Concerning campaign contributions the Republican platform of 1912 says:

"We favor such additional legislation as may be necessary more effectually to prohibit corporations from contributing funds, directly or indirectly, to campaigns for the nomination or election of the President, the Vice-President, Senators and Representatives in Congress.

"We heartily approve the recent act of Congress, requiring the fullest publicity in regard to all campaign contributions whether made in connection with primaries, conventions or elections."

The Democratic plank of 1912 is as follows:

"We pledge the Democratic Party to the enactment of a law prohibiting any corporation from contributing to a campaign fund and any individual from contributing any amount above a reasonable maximum."

While this is a big country, it is not now, and may it never be, big enough knowingly to admit into the ranks of its citizenship any avowed disorganizer of government or any avowed seceder at our republican institutions. But our hands are outstretched to those who come to us with worthy purpose.—Postmaster-General Cortelyou.

THE TARIFF BOARD.

President Taft's earnest and persistent advocacy of a Tariff Board is one of the most notable features of his Administration. The Republican platform commends this phase of Mr. Taft's record in no uncertain terms. The Democratic program of obstruction to the work of the Tariff Board and the refusal of the leaders of the Democratic House of Representatives to make use of the data collected by the Board is merely additional evidence of the willingness of Democratic politicians to play foot-ball with the business of the country. President Taft, convinced that the protective policy, in which he firmly believes, can stand the test of unbiased and non-partisan investigation, early in his Administration put himself squarely in accord with the enlightened policy of every great foreign nation in urging legislation for the creation of a disinterested body of men to make a world-wide inquiry to develop essential facts for the levying of an American tariff. In this he had the support of the principal commercial organizations of the nation, and business men North and South, irrespective of political belief, upheld his hands.

The following extracts from an address made by President Taft on September 23, 1911, indicate the attitude of the President toward the Tariff Board:

"I put at the head of this board Prof. Henry C. Emery, upon the recommendation of the presidents of a number of universities who were consulted. Mr. Alvin Sanders was the editor of the *Breeders' Gazette*, a man of the highest standing, who had devoted his life to the study of the agricultural interests of this country, while Mr. Reynolds has been for years an Assistant Secretary of the Treasury under Mr. Roosevelt, in charge of customs, and had become very familiar with the operation of the existing tariff and its construction. To these three I added Prof. Page of the University of California, and then of the University of Virginia, a well-known economist, with the same general standing as that of Prof. Emery; and Mr. W. M. Howard, a former Democratic Congressman from Georgia and admittedly one of the ablest and fairest members of the half dozen Congresses in which he served. The make-up of the Board insures nonpartisan action. The truth is, that with the exception of Mr. Howard and Mr. Reynolds, the Board may be said to have no political affiliations at all.

"The Board is a board of the highest intelligence and ability, and well qualified by their previous experience to act as investigators, analyzers of evidence, and judges of issues of fact. They are under instructions to draw their conclusions without respect to their effect, and I venture to say that there is no board in the country less likely to be influenced by political or other improper considerations than the Tariff Board as it is now constituted. Even the attacks made upon it, prompted by the heat of political controversy and impatience at my vetoes, can not turn it from a judicial attitude toward all questions that it is now considering.

"I do not contend that the tariff can be taken out of politics, in the sense that it will never be made the subject of political discussion. Men differ radically as to the economical wisdom of a protective tariff, or a tariff for revenue only, and that must always be the subject of political discussion. But there is a means of taking the ascertainment of facts away from a tribunal like that of the Ways and Means Committee, which is necessarily hurried in its inquiries and necessarily lacking in thoroughness and the temper necessary to reach the most impartial conclusions. It is possible to transfer those investigations heretofore made by the Ways and Means and Finance Committees to a tribunal which will make a thorough and impartial inquiry. I do not mean to say that the Tariff Board which I have appointed is constituted by the best method possible. I do not think it is. I think it would be better to have it appointed by the President, with the confirmation of the Senate, and to make it independent of the President and of Congress as far as that may be possible under our system. I do say that the present Board is as independent as any board can be, but I admit that its method of appointment is such that conditions might arise having a tendency to rob it of its impartial character. Therefore, I ventured, with all the energy of which I was capable, the establishment of a permanent Tariff Commission, and I shall urge upon the Congress, as long as it is my function to do so, the establishment by law of such a commission.

"But meantime, Congress has enabled me to organize the present commission. They have shown by the work already done how thorough their future work will be, and they have demonstrated by what they have done that the material which they will place before the Congress and the

Executive in December with reference to Schedules K and I—that is, on woollens and on cottons—will be of a more valuable character and one from which more valuable conclusions can be drawn than any report of the kind ever submitted to any legislative body. Schedule K is the most complicated schedule in the whole range of schedules. Schedule I, a textile schedule, is, except for the difficulty connected with the raw material in Schedule K, equally troublesome and complicated and hard to understand. When those reports shall have been submitted, showing the difference in the cost of production abroad and in this country of textile fabrics, and giving a basis upon which a proper reduction can be made in either schedule, it will be my duty and my pleasure to recommend to Congress such a reduction. Meantime, attacks upon the Board as one whose judgment is not worthy of consideration are born not of a candid consideration of their previous work, not of a frank acknowledgment of the ability of the various members of the Board to do work that they are charged to do, but they come from the thoughtless heat of political controversy, and ought to have no weight with unbiased friends of the public weal."

The Tariff Board was created in September, 1909, and, under instructions of the President, was first engaged in assisting the Executive in the discharge of the duties imposed on the President by the Maximum and Minimum Clause of the Payne Tariff Law. Its attention was then directed to accumulating information for the use of Congress in connection with the Reciprocity Agreement made with Canada, and especially on comparative costs in Canada and in the United States, the wages paid labor and particularly farm labor in the two countries, and the cost of producing paper and wood pulp on both sides of the boundary.

Following this the Board took up an extensive and world-wide investigation of articles covered in the Woolen Schedule (Schedule K) and in the Cotton Schedule (Schedule I). These reports were duly submitted to the President and by him transmitted to Congress. The Board has also submitted to Congress a glossary on chemicals, oils and paints (Schedule A).

The work of the Board was divided into three main groups:

1st. Its plan was to secure as to each article in the tariff concise information regarding the nature of the article, the chief sources of supply at home and abroad, the methods of its production, its chief uses, statistics of production, imports and exports, with an estimate of the ad valorem equivalent for all specific duties. This was called a glossary of the tariff and was intended to carry out President Taft's statement that he wished the Board to "translate the tariff into English." The Board has completed this glossary work on the Chemicals, Wool and Cotton Schedules and submitted the same to Congress.

2d. The Board made an inquiry into actual costs of production at home and abroad. In the pulp and paper investigation, for instance, this inquiry covered 80 per cent of the newsprint paper production of the United States and 78.2 per cent of the newsprint paper production of Canada. In the wool investigation more than 1,200 American growers were personally visited by agents of the Board. The raw wool investigation extended also to Argentina, Australia and other important foreign wool producing countries. Besides, the agents of the Board made an exhaustive investigation into costs of manufacture of woollen and cotton goods in the United States and principal competing countries. This inquiry covered also labor and machine efficiency here and abroad.

3d. The Board employed men of experience from particular lines of industry, both on the technical and commercial side, to secure accurate information regarding actual prices at home and abroad, the peculiar local conditions affecting particular industries and the general conditions of home and foreign competition to which such industries are subject.

In the spring of 1911 President Taft gave permission to a committee of the National Tariff Commission Association to investigate and report on the organization, methods and work of the Tariff Board. The report of this committee, which was unanimous, was signed by Henry R. Towne, President of the Merchants' Association of New York; John Kirby, Jr., President of the National Association of Manufacturers; Charles M. Jarvis, Vice-President of the National Association of Manufacturers; H. E. Miles, former President of the National Association of Implement and Vehicle Manufacturers; J. J. Culbertson, President

of the Southern Cotton Seed Crushers' Association, and Francis T. Simmons, a member of the Executive Council of the Chicago Association of Commerce. Following is an extract from the report of this committee:

"Unlimited opportunity was afforded us in our investigations of the work and methods of the Board, the organization of the staff, the rates of salaries paid, and the kind and amount of all other expenses incurred. Every inquiry by us was responded to unreservedly and satisfactorily. We are justified, therefore, in stating that our conclusions are based upon a full and intelligent understanding of the facts.

* * * * *

"Our committee was favorably impressed with the character, ability and fitness of the members of the Tariff Board appointed by President Taft. We think it fortunate that the country has been able to secure, for service in this new and untried field, five men who, on the whole, are so well equipped for their duties, so impartial and able in so short a time to organize the work on an effective basis. In this connection it is important to keep in mind the fact that the functions of the Tariff Board are administrative and judicial; that its members were not selected as technical experts in any one field of industry; that the work of technical investigation will be done by many experts employed for this purpose by the Board; and that the highest function of the Board will consist in weighing the evidence thus gathered, in reaching sound conclusions thereon, and in embodying all essential facts in its reports. In this respect the Board acts as a court of first instance to review the evidence gathered by its experts and to pass judgment thereon. It thus fulfills the functions of a commission appointed by a court of justice to make findings of fact for the information of the court. Briefly the motto of the Board might be 'to furnish facts, not opinions.' Congress is and will remain the court of final judgment, which will receive the findings of the Tariff Board and take such action thereon, if any, as in the judgment of Congress may appear to be necessary or expedient.

* * * * *

"In conclusion our committee finds that the Tariff Board is composed of able, impartial, and earnest men, who are devoting their energies unreservedly to the work before them; that the staff has been carefully selected for the work in view, is efficiently organized and directed, and includes a number of exceptionally competent technical experts; * * * that the work of the Board, vast and intricate in detail, is already highly organized, well systematized, and running smoothly; and that Congress and the people can now await the completion of that work with entire confidence that it is progressing as rapidly as consistent with proper thoroughness and that it will amply justify all the time and expense it entails. We believe that the value of the work when completed will be so great and so evident as to leave no single doubt as to the expediency of maintaining it as a permanent function of the Government for the benefit of the people."

As an evidence of the attitude of foreign countries toward the work of the Tariff Board, an official of the Royal Imperial Ministry of Commerce of Austria, regarded as a leading authority on tariff questions in Europe, said, regarding the pulp and paper report:

"The report is excellent and in line with the latest theory, and I know of no European publication which so correctly interprets the most important features of the question of commercial policy as does your report on the paper industry. This is a very good beginning, and I already see that you will soon leave all the European government departments far behind in the publication of model reports on questions of commercial policy. This report will attract great attention in Europe."

The same authority, discussing the wool report, said:

"It is an excellent standard work. The Tariff Board has come within a very short time to the head of all the similar boards established a long time since in the other countries. It is really true that no legislative body has ever had presented to it a better report on a tariff question. It will be also entirely impossible not to take your results in mind in proceeding to a revision of the tariff. It would be a great mistake to stop the work of the Board, and it would soon prove necessary to reestablish it."

The functions of the Tariff Board are well described by Professor Henry C. Emery, Chairman of the Tariff Board, who says:

"The role of such a board will be to act not as legislator, nor as advocate, nor yet as judge. It will be closer to the function of a commissioner or referee appointed by the court to make a report on the findings of fact. On these findings judgments may be rendered or policies determined by the properly constituted authorities. It ought to be plain that whatever policy the people choose to follow, or whatever party they support, the impartial finding of facts is equally important in any case.

* * * * *

"The President has given us our task to find the facts. We have resolved not to substitute for facts any half-formed guesses or opinions. We shall not depart from this resolve under orders or pressure from any man, or any interest, nor in response to mere unthinking clamor."

PRESIDENT TAFT'S VETOES OF DEMOCRATIC TARIFF BILLS.

The "Farmers Free List" Bill.

To the House of Representatives:

I return, without my approval, House bill 4413, entitled—

An act to place on the free list agricultural implements, cotton bagging, cotton ties, leather, boots and shoes, fence wire, meats, cereals, flour, bread, timber, lumber, sewing machines, salt and other articles.

This free list covers articles in the metal schedule, the cotton schedule, the wool schedule, and the leather schedule. In a special message returning, without my approval, the wool bill, I have set forth at length the reasons why I think all general amendments to the existing tariff laws should be postponed until accurate and scientific information can be submitted to Congress by a Tariff Board appointed for the purpose of investigating the question of the difference in cost of production of dutiable articles at home and abroad. The same reasons which impelled me to decline to sign the wool bill control me in this case. There are other reasons apparent on the face of the bill, taken in connection with the existing law, which make it unwise to allow this bill to pass.

The bill is so carelessly drawn that it would inevitably lead to the greatest uncertainty as to what articles are or are not covered by its various provisions. This would impose a heavy burden on the administrative branch of the Government, create disastrous uncertainty in commercial circles, and lead to a burdensome amount of litigation. The bill, while apparently very simple and affecting only a few articles, is in reality so loose in its phraseology that it would affect hundreds of items in the existing tariff act. Conceding the wisdom of its general policy, the paragraphs of the bill ought to be rewritten in definite and specific terms.

Take the expression in the first clause, following the specific mention of agricultural implements, "all other agricultural implements of any kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts." This language is so sweeping that it might be made to cover almost 150 articles used in agriculture, which would affect many sections of the present tariff and lead to the most injurious uncertainty. Furthermore, it would make it possible to import free many materials now paying a duty, when roughly fashioned into the form of parts of farm implements but actually intended for entirely different uses.

Again, take the general expression in the second clause, the bagging clause, "other material suitable for bagging or sacking agricultural products." It is a serious question whether this section might not be interpreted to make radical changes in many sections of Schedules I (cotton), J (jute and hemp), and K (wool), and it would undoubtedly be open to the same objection of allowing free entry to a large amount of textile manufactures, technically suitable for sacking agricultural products, but intended for entirely different purposes.

Another clause that calls for comment is in the leather paragraph, which reads as follows: "Leather cut into shoe uppers or vamps or other forms suitable for conversion into manufactured articles." The history of this clause is informing as to the method of drafting the bill. The phraseology is found in a proviso at the end of paragraph 451 of the existing tariff. The whole paragraph imposes various duties on different kinds of leather, including many more varieties than are made free by this bill, and the language of the proviso is used in the existing law to impose an additional ad valorem duty on all such leather when cut into forms for further manufacture. The draftsman of the bill now before me took this language, struck out the

10 per cent. ad valorem, and left the preceding descriptions of leather out of which the forms were to be cut, dutiable as under the present law. The result is that calfskins tanned, kangaroo, sheep and goat skins, dressed and finished, bookbinders' calfskins, chamois skins, patent and enameled leather, pianoforte leather, and other varieties of leather, when uncut, would pay, under the proposed bill, if it became a law, duties ranging from the equivalent of 40 per cent. ad valorem down; while the cut forms of such leather would come in free. This imposes a penalty on the domestic labor of cutting and would transfer half the process in the industry of shoemaking and glove making to foreign countries. The result is so unreasonable as to suggest great haste in preparation.

Another clause equally full of difficulty is that admitting free, "Barbed fence wire, wire rods, wire strands, or wire rope, wire woven or manufactured for wire fencing, and other kinds of wire suitable for fencing, including wire staples." This section seems to be drawn with the idea of giving free wire for fencing purposes, but is so loosely worded that it might be taken to include also the highest grades of wire rods and wire rope. This is especially true, because wire rope is never used for fencing, and the words "wire rods, wire strands, or wire rope" are separated by commas from the rest of the section, and it is difficult, with the collocation of terms here used, and in face of the fact that wire rope is not used for fencing at all, to limit "wire rods, strands and rope" here made free to something suitable for fencing.

The truth is that the language of the act is so ambiguous and possibly all-embracing that it is impracticable for the Treasury Department to give an exact estimate as to the diminution in revenue which will follow its passage. The estimates vary all the way from \$10,000,000 to \$14,000,000, according to the varieties of construction put upon the act and this, although when the bill was first under consideration it was publicly stated by its advocates that the reduction in revenue would not exceed \$1,500,000.

The difficulty with the bill is that in the sections above referred to it purports to secure a free list for the benefit of a certain class of users; but to classify articles by their use or their suitability for a certain use is so contrary to the methods of classification in the existing tariff law that its adoption would create the utmost confusion. The danger is not so much that the class of users in whose favor the classification purports to be made will receive more benefit than the framers of the law may have intended, but it is that many who do not belong to the class intended to be favored will import articles suitable for the prescribed use under the general terms of the statute, but will use them for other and general purposes. The effect will be to break down altogether the classification upon which the arrangement in many of the present tariff schedules is based. If there were no other reason for withholding my approval from this bill, this one would be all-sufficient.

But there is another, and a very important, reason why the bill ought not become a law, and that is that in many instances it adopts the principle, rarely permitted in any revenue system, on whatever theory constructed, by which the finished product is made free from duty and the raw material and the machinery necessary for its production are kept on the dutiable list. Even the most extreme free trader, or advocate of tariff for revenue only, has never before sought an adjustment of the duties which subjects the manufacturer to a burden in his manufacture by imposing a duty on the machinery and the raw material he uses and involves him in unrestricted foreign competition as to the finished product. This is true with reference to leather and shoes, with reference to material for bagging, with reference to cotton ties, and wire for baling and for fencing, and indeed for the agricultural implements included in the catch-all clause to which I have referred.

A third objection to the bill is that, without in fact reducing the price to the consumer of the articles admitted free in a number of the paragraphs, it gives an advantage to Canada, our neighbor on the north, which by withholding we might well use

in the future to secure further concessions for us in the reciprocity agreement which the present Congress has requested me to expand.

Let me give the instances: Agricultural implements specifically mentioned in the bill are shown by a report of the Bureau of Trade Relations of the State Department to be cheaper in this country than anywhere in the world. This is confirmed by the fact that under existing law all countries admitting our agricultural implements free can have free access to our markets for the same articles. Great Britain is the only country whose present laws entitle her to this privilege, and which exports such articles in great quantity, and yet she exports practically none to this country. We urged Canada to consent to free trade in these articles in the reciprocity agreement, but she declined. Now it is proposed to give her free trade in them while she retains a duty of 15 per cent. ad valorem on our agricultural implements. To admit her manufactures will not lower our prices, but it is giving her access to our markets for nothing, while we might use this privilege to secure some concession from her.

The same thing is true of that part of the present bill in which meat and flour are put on the free list for countries with whom we have a reciprocal agreement, and which receive free our agricultural products. This limits the admission of free meat and flour to Canada only. Meat in Canada and flour in Canada are as high as they are in the United States, and in many instances higher. We asked to have free trade in these two articles under the reciprocity agreement, but Canada declined, for the reason that she feared the effect of the competition of our meat packers and our flour mills with her packers and millers.

Now it is proposed to open this market to the Canadian packers and millers without our having access to the Canadian market. Such action will not reduce the price of meat or flour in this country. That is shown by the fact that they were afraid of our competition. In normal times their importations will have no effect on our markets, and hence the admission from Canada of meat and flour will be of practically no benefit to the consumer, but will offer an inducement to capitalists thinking of building mills or packing houses to put them on the Canadian side of the border, where they can have the advantage of both markets free. This is another instance in which the bill takes away from the President, in dealing with the matter of reciprocity, something that he might use in a trade to induce further reciprocity.

Another instance is in reference to the more finished kinds of lumber. Under our reciprocity agreement, rough lumber enters both countries free. Canada imposes 25 per cent. duty on the more finished article, and we impose a duty of a different amount. If, now, we take off all duty on the finished product, we are giving her our market in this lumber for nothing, while we do not secure the benefit of hers; and we give to her Provinces a very strong motive for imposing restrictions and limitations on the cutting and export of rough lumber to this country in order to induce the transfer of the whole lumber manufacturing industry to Canada.

I withhold my approval from this bill, therefore, for the reasons, first, because it should not be considered until the Tariff Board shall make report upon the schedules it affects; second, because the bill is so loosely drawn as to involve the Government in endless litigation and to leave the commercial community in disastrous doubt; third, because it places the finished product on the free list, but retains on the dutiable list the raw material and the machinery with which such finished product is made, and thus puts at a needless disadvantage our American manufacturers; and fourth, that while purporting, by putting agricultural implements, meat and flour on the free list, to reduce their price to the consumers, it does not do so, but only gives to Canada valuable concessions which might be used by the Executive to expand reciprocity with that country in accordance with the direction of Congress.

WM. H. TAFT.

THE WHITE HOUSE, August 18, 1911.

The Wool Schedule, 1911.*To the House of Representatives:*

I return without my approval House bill No. 11019 with a statement of my reasons for so doing.

The bill is an amendment of the existing tariff law, and readjusts the customs duties in what is known as Schedule K, embracing wool and the manufactures of wool.

I was elected to the Presidency as the candidate of a party which in its platform declared its aim and purpose to be to maintain a protective tariff by "the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries." I have always regarded this language as fixing the proper measure of protection at the ascertained difference between the cost of production at home and that abroad, and have construed the reference to the profit of American industries as intended, not to add a new element to the measure stated or to exclude from the cost of production abroad the element of a manufacturer's or producer's profit, but only to emphasize the importance of including in the American cost a manufacturer's or producer's profit reasonable according to the American standard.

In accordance with a promise made in the same platform I called an extra session of the Sixty-first Congress, at which a general revision of the tariff was made and adopted in the Payne bill. It was contended by those who opposed the Payne bill that the existing rates of the Dingley bill were excessive and that the rates adopted in the revising statute were not sufficiently reduced to conform to the promised measure.

The great difficulty, however, in discussing the new rates adopted was that there were no means available by which impartial persons could determine what, in fact, was the difference in cost of production between the products of this country and the same products abroad. The American public became deeply impressed with the conviction that, in order to secure a proper revision of the tariff in the future, exact information as to the effect of the new rates must be had, and that the evil of log-rolling or a compromise between advocates of different protected industries in fixing duties could be avoided, and the interest of the consuming public could be properly guarded, only by revising the tariff one schedule at a time.

To help these reforms for the future, I took advantage of a clause in the Payne tariff bill enabling me to create a Tariff Board of three members and directed them to make a glossary and encyclopedia of the terms used in the tariff and to secure information as to the comparative cost of production of dutiable articles under the tariff at home and abroad. In my message to Congress of December 7, 1909, I asked a continuing annual appropriation for the support of the board and said:

I believe that the work of this board will be of prime utility and importance whenever Congress shall deem it wise again to readjust the customs duties. If the facts secured by the Tariff Board are of such a character as to show generally that the rates of duties imposed by the present tariff law are excessive under the principles of protection as described in the platform of the successful party at the late election, I shall not hesitate to invite the attention of Congress to this fact and to the necessity for action predicated thereon. Nothing, however, halts business and interferes with the course of prosperity so much as the threatened revision of the tariff, and until the facts are at hand, after careful and deliberate investigation, upon which such revision can properly be undertaken, it seems to me unwise to attempt it. The amount of misinformation that creeps into arguments, pro and con, in respect to tariff rates is such as to require the kind of investigation that I have directed the Tariff Board to make, an investigation undertaken by it wholly without respect to the effect which the facts may have in calling for a readjustment of the rates of duty.

A popular demand arose for the formal creation by law of a permanent non-partisan tariff commission. Commercial bodies all over the country united in a movement to secure adequate legislation for this purpose and an association with a nationwide constituency was organized to promote the cause. The public opinion in favor of such a commission was evidenced by

resolutions adopted in 1909 and 1910 by Republican State conventions in at least 28 States.

In addition, efforts were made to secure a change in the rules of procedure in the House and Senate with a view to preventing the consideration of tariff changes except schedule by schedule.

The business of the country rests on a protective-tariff basis. The public keenly realized that a disturbance of business by a change in the tariff and a threat of injury to the industries of the country ought to be avoided, and that nothing could help so much to minimize the fear of destructive changes as the known existence of a reliable source of information for legislative action. The deep interest in the matter of an impartial ascertainment of facts before any new revision, was evidenced by an effort to pass a tariff-commission bill in the short session of the Sixty-first Congress, in which many of both parties united. Such a bill passed both Houses. It provided a commission of five members, to be appointed by the President, not more than three of whom were to belong to the same party, and gave them the power and made it their duty to investigate the operation of the tariff, the comparative cost of production at home and abroad, and like matters of importance in fixing the terms of a revenue measure, and required them to report to the Executive and to Congress when directed. Several, not vital, amendments were made in the Senate, which necessitated a return of the bill to the House, where, because of the limited duration of the session, a comparatively small minority were able to prevent its becoming a law.

On the failure of this bill, I took such steps as I could to make the Tariff Board I had already appointed a satisfactory substitute for the proposed tariff commission. An appropriation of \$225,000, to continue the work until June 30, 1912, had been granted by Congress in the alternative, to be applied to the board I had appointed, unless a tariff-commission bill was passed. In this appropriation bill the non-partisan tariff commission, if created and appointed, was directed to make a report on Schedule K by December 1, 1911. Accordingly I added two members to the Tariff Board from the opposition party, and directed the board to make report on Schedule K by December 1st next. -The board differs in no way from the tariff commission as it would have been, except in its power to summon witnesses; and I am advised by the members of the board that, without this power, they have had no difficulty in securing the information they desire.

The board took some months to investigate the methods pursued in other countries in procuring information on tariff subjects and to organize its force. In October, 1910, its work of investigation began with a force of 40 that has now increased to 80. In addition to the "glossary," which is near completion, and other work connected with furnishing information in connection with the enforcement of the maximum and minimum clause of the Payne Tariff Act, and in respect to the Canadian reciprocity measure, its attention has been especially directed to comparative cost under Schedule K (wool and woolsens), under Schedule M (paper and pulp), and under Schedule I (cotton manufactures). The report on Schedule M (pulp and paper) has already been sent to Congress. Full reports on wool and cotton will be submitted to Congress in December. I have also directed an investigation into the metal and leather schedules, the results of which it is hoped can be submitted to Congress at its first regular session in time to permit their consideration and legislative action, if necessary.

The organization known as the Tariff Commission Association, made up of representatives of substantially all the commercial bodies of the country, for the purpose of securing the establishment of a permanent tariff commission, applied to me for an opportunity to investigate the methods pursued by the Tariff Board. This I was glad to grant, and a very full report of the competent committee of that association concluded as follows:

In conclusion, our committee finds that the Tariff Board is composed of able, impartial and earnest men, who are devoting their energies unreservedly to the work before them; that the staff has

been carefully selected for the work in view, is efficiently organized and directed, and includes a number of exceptionally competent technical experts; . . . that the work of the board, vast and intricate in detail, is already highly organized, well systematized and running smoothly; and that Congress and the people can now await the completion of that work with entire confidence that it is progressing as rapidly as consistent with proper thoroughness, and that it will amply justify all of the time and expense which it entails. We believe that the value of the work when completed will be so great and so evident as to leave remaining no single doubt as to the expediency of maintaining it as a permanent function of the Government for the benefit of the people.

I have thus reviewed the history of the movement for the establishment of a tariff commission or board in order to show that the real advance and reform in tariff making are to be found in the acquiring of accurate and impartial information as to the effect of the proposed tariff changes under each schedule before they are adopted, and further to show that if delay in the passage of a bill to amend Schedule K can be had until December, Congress will then be in possession of a full and satisfactory report upon the whole schedule.

This brings me to the consideration of the terms of the bill presented for my approval. Schedule K is the most complicated schedule in the tariff. It classifies raw wool with different rates for different classes; it affords the manufacturer what is called a compensatory duty to make up for the increased price of the raw material he has to use due to the rate on raw wool, and for the shrinkage that takes place in scouring the wool for manufacture; and it gives him, in addition, an *ad valorem* duty to protect him against foreign competition with cheap labor. The usages which prevail in scouring the wool, in making the yarn, and in the manufacture of cloth present a complication of technical detail that prevents any one, not especially informed concerning wool growing and manufacture, from understanding the schedule and the effect of changes in the various rates and percentages.

If there ever was a schedule that needed consideration and investigation and elaborate explanation by experts before its amendment, it is Schedule K. There is a widespread belief that many rates in the present schedule are too high and are in excess of any needed protection for the wool grower or manufacturer. I share this belief and have so stated in several public addresses. But I have no sufficient data upon which I can judge how Schedule K ought to be amended or how its rates ought to be reduced, in order that the new bill shall furnish the proper measure of protection and no more. Nor have I sources of information which satisfy me that the bill presented to me for signature will accomplish this result. The parliamentary history of the bill is not reassuring upon this point. It was introduced and passed in the House as providing a tariff for revenue only and with the avowed purpose of departing from a protective-tariff policy. The rate of duty on raw wools of all classes was changed from a specific duty of 11 cents a pound to 20 per cent. *ad valorem*. On the average for the importations for the last two years this is a reduction from 47.24 per cent. to 20 per cent. Rates on cloths were reduced in the bill from the present average duty of 97.27 per cent. to 40 per cent. and on wearing apparel from 81.31 per cent. to 45 per cent. The bill was defeated in the Senate, and so was a substitute introduced as a protection measure. The proposed substitute fixed the duty on raw wool, first class, at 40 per cent., and on a second class of carpet wools at 10 per cent., and on cloths at 60 per cent., and on wearing apparel at the same rate. On reconsideration, a compromise measure was passed by the Senate, which was a compromise between the House bill and the Senate substitute bill, and in which the rate on first-class wool was fixed at 35 per cent., on carpet wools 10 per cent., and on cloth and wearing apparel 55 per cent. In conference between the two Houses the rate on all classes of raw wool was fixed at 29 per cent., this being an increase on carpet wools of 9 per cent. as fixed in the House bill and of 19 per cent. as fixed in the Senate bill. The conference rate on cloths and wearing apparel was fixed at 49 per cent. No evidence as to the cost of production here or abroad was pub-

lished, and the compromise amendment in the Senate was adopted without reference to or consideration by a committee.

I do not mention these facts to criticise the method of preparation of the bill; but I must needs refer to them to show that the congressional proceedings make available for me no accurate or scientifically acquired information which enables me to determine that the bill supplies the measure of protection promised in the platform on which I was elected.

Without any investigation of which the details are available, an avowed tariff-for-revenue and anti-protection bill is by compromise blended with a professed protection bill. Rates between those of the two bills are adopted and passed, except that, in some important instances, rates are fixed in the compromise at a figure higher, and in others at a figure lower, than were originally fixed in either House. The principle followed in adjusting the amendments of existing law is, therefore, not clear, and the effect of the bill is most uncertain.

The Wilson Tariff Act of 1894, while giving the manufacturer free wool, provided as high duties on leading manufactures of wool as does the present bill, which at the same time taxes the manufacturer's raw material at 29 per cent. Thus the protection afforded to manufacturers under the Wilson bill was very considerably higher than under the present bill.

During the years in which the Wilson bill was in force the woolen manufacturers suffered. Many mills were compelled to shut down. These were abnormal years, and it is not necessary to attribute the hard times solely to the tariff act of 1894. But it was at least an addition to other factors operating to injure the woolen business. It is the only experience we have had for a generation of a radical revision of this schedule, and, without exaggerating its importance, one pledged to a moderate protection policy may well hesitate before giving approval without full information to legislation which makes a more radical reduction in the protection actually afforded to manufacturers of wool than did the Wilson Act. Nor does this hesitation arise only for fear of injury to manufacturers. Unless manufacturers are able to continue their business and buy wool from domestic woolgrowers the latter will have no benefit from the tariff that is supposed to protect them, because they will have to sell in competition with foreign wools or send their sheep to the shambles. Hence the woolgrower is as much interested in the protection of the manufacturer as he is in his own.

It may well be that conditions of manufacture in this country have changed so as to require much less protection now for the manufacturers than at the time of the Wilson bill; but in view of the possible wide suffering involved by hasty action based on insufficient knowledge, the wise course, in my judgment, is to postpone any change for a few months needed to complete the pending inquiry.

When I have the accurate information which justifies such action, I shall recommend to Congress as great a reduction in Schedule K as the measure of protection, already stated, will permit. The failure of the present bill should not be regarded, therefore, as taking away the only chance for reduction by this Congress.

More than a million of our countrymen are engaged in the production of wool and the manufacture of woollens; more than a billion of the country's capital is invested in the industry. Large communities are almost wholly dependent upon the prosperity of the woolgrower and the woolen manufacturer. Moderately estimated, 5,000,000 of the American people will be injuriously affected by any ill-advised impairment of the wool and woolen industries. Certainly we should proceed prudently in dealing with them upon the basis of ascertained facts rather than hastily and without knowledge to make a reduction of the tariff to satisfy a popular desire, which I fully recognize, for reduction of duties believed to be excessive. I have no doubt that if I were to sign this bill, I would receive the approval of very many persons who favor a reduction of duties in order to reduce the cost of living whatever the effect on our protected industries, and who fail to realize the disaster to business generally and to the people at large which may come from a radical

disturbance of that part of business dependent for its life on the continuance of a protective tariff. If I fail to guard as far as I can the industries of the country to the extent of giving them the benefit of a living measure of protection, and business disaster ensues, I shall not be discharging my duty. If I fail to recommend the reduction of excessive duties to this extent, I shall fail in my duty to the consuming public.

There is no public exigency requiring the revision of Schedule K in August without adequate information, rather than in December next with such information. December was the time fixed by both parties in the last Congress for the submission of adequate information upon Schedule K with a view to its amendment. Certainly the public weal is better preserved by delaying 90 days in order to do justice, and make such a reduction as shall be proper, than now blindly to enact a law which may seriously injure the industries involved and the business of the country in general.

WM. H. TAFT.

THE WHITE HOUSE, August 17, 1911.

The Cotton, Chemical and Metal Schedules.

To the House of Representatives:

I return, without my approval, H. R. 12812, entitled "An Act to reduce the duties on manufactures of cotton."

Though its title mentions only manufactures of cotton, the bill in fact changes also all the duties imposed under Schedule A of the Payne Act upon chemicals, oils and paints, and under Schedule C upon metals and manufactures of metals.

My objection to the cotton schedule is that it was adopted without any investigation or information of a satisfactory character as to the effect which it will have upon an industry of this country in which the capital invested amounted in 1909 to \$821,000,000; the value of the product to \$629,000,000; the number of wage earners to 379,000, making, with dependents, a total of at least 1,200,000 persons affected; and the wages paid annually amounted to \$146,000,000. The bill would not go into effect by its terms until January 1st next, and before that time a full report to be submitted to Congress by the Tariff Board, based upon the most thorough investigation, will show the comparative cost of all the elements of production in the manufacture of cotton in this and other countries. The investigation by the Committee on Ways and Means of the House did not cover the facts showing this comparative cost, for the reason that the committee was preparing a bill on a tariff for revenue basis and their view of a proper tariff was avowedly at variance with the theory of protection. Pledged to support a policy of moderate protection, I cannot approve a measure which violates its principle.

Coming now to the amendments to Schedules A and C, I have examined the records of Congress for the purpose of informing myself as to the facts and arguments which in the opinion of Congress make these changes in the law expedient. I find that there was practically no consideration of either schedule by any committee of either House. There was no report of any committee explaining or stating the basis of the proposed amendments. There were no facts presented to either House in which I can find material upon which to form any judgment as to the effect of the amendments either upon American industries or upon the revenues of the Government. The revisions of Schedules A and C were contained in amendments offered upon the floor of the Senate, were never referred to any committee, and were disposed of without any attempt to adjust the details or to furnish the basis of fact for adjusting the details of the different paragraphs to the great number or variety of industries to be affected, with a view to any degree of protection whatever, however moderate. I cannot make myself a party to dealing with the industries of the country in this way.

The industries covered by metals and the manufacture of metals are the largest in the country, and it would seem not only

wise but absolutely essential to acquire accurate information as to the effect of changes which may vitally affect these industries before enacting them into law.

The haste in the preparation of the bill is apparent in many of its pages. Section 3 of the bill reads as follows:

Sec. 3. That on and after the day when this act shall go into effect all goods, wares and merchandise previously imported and hereinbefore enumerated, described and provided for, for which no entry has been made, and all such goods, wares and merchandise previously entered without payment of duty and under bond for warehousing, transportation or any other purpose, for which no permit of delivery to the importer or his agent has been issued, shall be subjected to no other duty upon the entry or withdrawal thereof than the duty which would be imposed if such goods, wares or merchandise were imported on or after that date; Provided, however, That if the duties above provided to be collected and paid shall, as to any article or articles, be greater than that provided to be paid by the present existing law, less 30 per cent., then in every such case the duty or duties which are hereby levied, and which shall be collected and paid on said article or articles shall be a sum equal to the duties provided to be levied, collected and paid by the present existing law, less 30 per cent. and not greater.

The first part of section 3, without the proviso, was original section 2 of the bill when it affected only the cotton schedule. It is now placed in the bill after the amendments to the chemical schedule. The proviso was added in the Senate. The proviso was doubtless intended to make certain that the duties in the preceding cotton and chemical schedules were all to be 30 per cent. less than the rates fixed in the present law. But this cannot be. The proviso is so placed in section 3 that it has no operation except upon the rates to be charged on articles described in the first half of section 3—that is, on the goods already entered or in bond or transportation and which have not paid duty. This would give, over all chemicals now in bond not taken out before the law goes into effect, the benefit of a greater reduction by 5 per cent. than would be afforded to chemicals imported after the passage of the act. The result is an inevitable construction and in its manifest error is not out of keeping with some of the other features of the bill to which I am now about to refer.

Even if the proviso effects the purpose evidently intended by the authors of limiting the rates of the whole cotton and chemical schedules, it is legislation of the crudest character, for two reasons: It imposes on customs officers in every entry under those schedules the burden of transmuting the specific rates of the Payne Act to ad valorem rates under the proposed bill, a process which is most difficult and liable to error; secondly, it imposes a duty of 5 per cent. less than the duty intended in the whole of the preceding chemical schedule, and furnishes a unique instance in tariff legislation of imposing two different rates of duties on the same articles in succeeding paragraphs of the same bill.

The empirical and haphazard character of this bill is shown more clearly, perhaps, in the amendment to Schedule A than in any other. The only explanation of it was made when introduced as an amendment. It was then said to be a horizontal reduction of the existing chemical schedule by one-fourth, or 25 per cent. of the present duties. It was said that the specific duties in the existing law had been transmuted into their equivalent ad valorem, and that the result had been reduced by 25 per cent. The method used in reaching this equivalent was quite inaccurate, as is shown by actual inquiry as to the real market price of each article. An examination made by an expert chemist of the Tariff Board into certain paragraphs of the schedule and verified by customs experts of the Treasury Department shows discrepancies in the alleged 25 per cent. reduction of rates and gives ground for believing that, if time permitted, a close and careful analysis of all the paragraphs would show many others. Instead of a horizontal reduction of 25 per cent. this examination shows that the reductions made by the amendment in some paragraphs are much greater than 25 per cent., and that in others the change is a substantial increase instead of a reduction of the present duties.

Thus, boracic acid is dutiable under the present law at 3 cents per pound. The amendment imposes a duty of 60 per cent. ad

valorem. At the foreign price of 6 to 6½ cents per pound the amended rate would be from 3.6 to 3.9 cents per pound, or an actual increase in the duty under the present law of from 20 to 30 per cent. Tartaric acid under the amendment has a duty 4 per cent. higher than that of existing law. Alum under the amendment has a rate 10 per cent. higher than existing law. Bleaching powder has a rate under the amendment that is 30 per cent. higher than the existing rate. Zinc oxide has an increase of rate in the amendment of 95 per cent. over that of existing law. On the other hand, we find in other cases a greater reduction than the proposed 25 per cent. Thus, borax is given a rate in the amendment which is a reduction of 80 per cent. below the existing rate, while commercial chloroform in the amendment has a reduction of 90 per cent. from the present rate. Hydrate, or caustic soda, is given a rate in the amendment which is a 50 per cent. reduction from the present rate. A curious result appears in the rate fixed for alumina hydrate containing less than 64 per cent. of alumina, and the same containing more of alumina. The latter is a finished product as compared with the former, but the latter in the amendment is given a duty of only 5 per cent., while the raw and unfinished product has a rate of 15 per cent. ad valorem.

These are some of the typical inconsistencies and instances of haste in preparation and of the error of calculation in the proposed sweeping horizontal reduction of a most important schedule in the tariff. The 85 paragraphs of Schedule A do not refer to the various manufactured forms of one or more materials. Each paragraph relates to a different subject, the duty on which, both with reference to its revenue-producing capacity and with reference to its protecting effect upon an industry of this country, ought to be determined by separate examination, and the taking of careful evidence of experts, because the subject is peculiarly one for experts. The figures I have given show that the method pursued in making what was thought to be a reduction of 25 per cent. would, if it became the law, produce the greatest confusion in respect to the whole chemical schedule.

But the most remarkable feature of this amendment to the chemical schedule remains to be stated. The internal revenues of this country to the extent of \$160,000,000 are dependent on the imposition of a tax of \$1.20 a gallon on distilled spirits at 100 degrees proof, which is a liquid consisting of 50 per cent. absolute alcohol and 50 per cent. water. The intrinsic cost of spirits of this proof varies from 10 to 20 cents a gallon, so that the enormous tax as compared with the intrinsic value of the article furnishes a motive for fraud and evasion of the law stronger than in the case of any commodity within the range of Federal taxation. It has, therefore, been necessary in all customs legislation to protect the internal-revenue system against the introduction from foreign countries of alcohol in any form and in association with any other article except upon the payment of such a customs duty as shall make it unprofitable to import the alcohol into this country to be used in competition with alcohol or distilled spirits of domestic manufacture. The customs duty on a proof gallon of alcohol is \$2.25. The care and anxious concern with which Congress has heretofore guarded against the introduction of alcohol in any form without the payment of sufficient duty to prevent its interfering with our domestic production and the payment of the internal tax may be seen in at least 10 paragraphs of the chemical schedule of the Payne law and previous enactments.

Thus, in paragraph 2 of the existing law it is provided that vegetable, animal or mineral objects, immersed or placed in or saturated with alcohol shall have a duty of 60 cents per pound and 25 per cent. ad valorem, and the same duty is imposed in that paragraph on alcoholic compounds not specially provided for. Sixty cents a pound is equivalent to 60 cents a pint of the alcohol or distilled spirits used at proof, and this is equivalent to \$4.80 a gallon for alcohol, which of course prevents its importation for any purpose other than as specified in the paragraph.

Again, in paragraph 3, chemical compounds containing alcohol and chemical mixtures containing alcohol have a duty of 55

cents per pound, which would protect the domestic alcohol by a duty of \$4.40 a gallon.

The same thing is true in paragraph 65, covering medicinal preparations containing alcohol, or any preparations in which alcohol is used. These have a duty of 55 cents per pound, which would impose a duty on the alcohol used of at least \$4.40 a gallon.

Again, on perfumes, including cologne and other toilet waters containing alcohol or in the preparation of which alcohol is used, there is a duty of 60 cents per pound and 50 per cent. ad valorem, by which the domestic alcohol used in American-made perfumes is protected by a tax of \$4.80.

Under the present bill all these precautions against the undue introduction of foreign alcohol in articles and compounds included in the chemical schedule are in fact abolished by striking out the specific duties per pound. Thus, in paragraph 2, the specific duty per pound is stricken out and the whole rate is fixed at 50 per cent. ad valorem. In paragraph 3 there is a similar change; in paragraph 65 the change is to 45 per cent. ad valorem, and in paragraph 69, to 60 and 50 per cent. ad valorem. With alcohol at a foreign cost of 20 cents a gallon this would make the tax, so far as the alcohol is concerned in paragraph 2, 10 cents a gallon; in paragraph 3, 8 cents a gallon; in paragraph 65, 9 cents a gallon, and in paragraph 69, from 10 to 12 cents a gallon. That is, the alcohol thus introduced would pay, under this chemical schedule, from 8 to 12 cents a gallon duty instead of \$1.20 a gallon as imposed by our internal-revenue system, or \$2.25 a gallon as imposed by our customs laws upon the introduction of proof alcohol, or the higher rates as fixed in the existing chemical schedule. Alcohol is also used in the manufacture of collodion and fruit ethers, and under the existing law the invasion of our internal-revenue system is here also prevented by the imposition of high rates per pound as the equivalent of the internal-revenue tax. By this amendment the compensatory duties for the high domestic tax on alcohol in collodion and ether is abolished, and if the bill passed the domestic manufacturer would pay \$1.40 a gallon for his alcohol, while his importing competitor would pay but 30 cents.

I need hardly dwell on the disastrous effect such an amendment in reference to alcoholic compounds would have upon the internal-revenue system of taxing distilled spirits, nor need I point out the opportunities of evasion and fraud thus presented. Of course, the change was not intended, but if this bill became law it would be made.

This bill thus illustrates and enforces the views which I have already expressed in vetoing the wool bill and the so-called free-list bill, as to the paramount importance of securing, through the investigation and reports of the Tariff Board, a definite and certain basis of ascertained fact for the consideration of tariff laws. When the reports of the Tariff Board upon these schedules are received, the duties which should be imposed can be determined upon justly and with intelligent appreciation of the effect that they will have both upon industry and upon revenue. Very likely some of the changes in this bill will prove to be desirable and some to be undesirable. So far as they turn out to be just and reasonable I shall be glad to approve them, but at present the proposed legislation appears to be all a matter of guesswork. The important thing is to get our tariff legislation out of the slough of guesswork and log-rolling and ex parte statements of interested persons, and to establish that legislation on the basis of tested and determined facts, to which shall be applied, fairly and openly, whatever tariff principle the people of the country choose to adopt.

WILLIAM H. TAFT.

THE WHITE HOUSE, August 22, 1911.

The advocacy of such a system (the recall) suggests chaos in decisions, irresponsibility in the courts, and, worse than all, the power of an impatient majority to deny every right which well-ordered institutions guarantee to the minority.—Hon. Charles Nagel.

The Wool and Woolens Bill of 1912.

To the House of Representatives:

On December 20, 1911, I sent a message to the Congress, recommending a prompt revision of the tariff on wool and woolens. I urged a reduction of duties which should remove all the excesses and inequalities of the schedule, but should leave a degree of protection adequate to maintain the continued employment of machinery and labor already established in that great industry. With that message I transmitted a report of the Tariff Board, which furnished for the first time the information needed to frame a revision bill of this character, and recommended that legislation should be at once undertaken in the light of this information.

Despite the efforts which have been made to discredit the work of the Tariff Board, their report on this schedule has been accepted, with scarcely a dissenting voice, by all those familiar with the problems discussed, including active representatives of organizations formed in the interest of the public and the consumer. Importers and merchants, as well as producers and manufacturers, have testified to the accuracy and impartiality of these findings of fact. For the first time in the history of American tariffs the opportunity has been afforded of securing a revision based on established facts, independent both of the ex parte statements of interested persons and the guess-work of political theorists.

My position has been made perfectly plain. I shall stand by my pledges to maintain a degree of protection necessary to offset the difference in cost of production here and abroad, and will heartily approve of any bill reducing duties to this level. Bills have been introduced into Congress, carefully framed and based on the findings of the Tariff Board, which, while maintaining the principle of protection, have provided for sweeping reductions. Such a bill was presented by the minority members of the Ways and Means Committee, which, while providing protection to the wool grower, reduces the duty on most wools 20 per cent, and the duties on manufactures by from 20 to more than 50 per cent, and gives in many instances less net protection to the manufacturer than was granted by the Gorman-Wilson Free Wool Act of 1894.

Instead of such a measure of thorough and genuine revision, based on full information of the facts, and with rates properly adjusted to all the different stages of the industry, there is now presented for my approval H. R. 22195, an Act to reduce the duties on wool and the manufactures of wool, a bill identical with the one which I vetoed in August, 1911, before the report of the Tariff Board had been made. The Tariff Board's report fully and completely justifies my veto of that date. The amount of ad valorem duty necessary to offset the difference in the cost of production of raw wool here and abroad varies with every grade of wool. Consequently, an ad valorem rate of duty adjusted to meet the difference in the cost of production of high-priced wools is not protective to low-priced wools. In any case, the report of the Tariff Board shows that the ad valorem duty of 29 per cent on raw wool, imposed in the bill now submitted to me, is inadequate to meet this difference in cost in the case of four-fifths of our total wool clip. The disastrous effect upon the business of our farmers engaged in wool raising can not be more clearly stated. To maintain the status quo in the wool-growing industry, the minimum ad valorem rate necessary, even for high-grade wool in years of high prices, would be 35 per cent.

The rate provided in this bill on cloths of all kinds is 49 per cent. The amount of net protection given by this rate, in addition to proper compensation for the duty on wool, depends on the ratio between the cost of the raw material and the cost of making the cloth. The cost of the raw material in woolen and worsted fabrics varies in general from 50 per cent to 70 per cent of the total value of the fabric. Consequently, the net protective duty, with wool at 29 per cent, would vary from 28.7

per cent to 34.5 per cent. In the great majority of cases these rates are inadequate to equalize the difference in the cost of manufacture here and abroad. This is especially true of the finest goods involving a high proportion of labor cost. One of the striking developments of the last few years has been the growth in this country of a fine goods industry. The rates provided in this bill, inadequate as they are for most of the cloths produced in this country would make the continuance here of the manufacture of fine goods an impossibility.

Even more dangerous in their effects are the rates proposed on tops and yarns. Tops are the result of the first stage of the making of raw wool into cloth. Yarn is the result of the second stage. Taken in connection with a rate of 29 per cent on wool, and 49 per cent on cloth, the rates of 32 per cent on tops and 35 per cent on yarn, fixed in this bill, seem impossible of justification. They would disrupt, and to no purpose, the existing adjustment, within the industry, of all its different branches. It is improbable in the highest degree that raw wool would be imported in great quantities when the cloth-maker can import his tops at a duty of 32 per cent and yarns at a duty of 35 per cent.

The report of the Tariff Board shows the difference in relative costs to be uniformly greater than the amount of protection yarns given by this bill. In a year of low prices, the net protection gained by the proposed rates would not be more than half the difference in costs. The Free Wool Act of 1894 gave a protective rate of 40 per cent on all yarns over 40 cents a pound in value, with free raw material. The present bill give only 35 per cent in such yarns with a duty of 29 per cent on the raw material. The great increase in the imports of tops and yarns, which would result from the rates in the bill now submitted to me, would destroy the effect of the protection the raw wool and at the same time would be at the cost of widespread disaster to the wool-combing and spinning branches of the industry. The last fifteen years has witnessed a great growth in top making and worsted spinning in this country, and the capacity of the plants is now equal to domestic requirements. Under the rates proposed, such plants could be continued, if at all, only by writing off most of the investment as a net loss and by a reduction of wages. To sum up then, most of the rates in the submitted bill are so low in themselves that, if enacted into law, the inevitable result would be the irretrievable injury to the wool-growing industry, the enforced idleness of much of our wool-combing and spinning machinery and of thousands of looms, and the consequent throwing out of employment of thousands of workmen.

In view of these facts, in view of the platform upon which I was elected, in view of my promise to follow and maintain the protective policy, no course is open to me but to withhold my approval of this bill. I am very much disappointed that such a bill is a second time presented to me. I have inferred from the speeches made in both the House and Senate that the members of the majority in both Houses are deeply impressed with the necessity of reducing the tariff under the present act on wool and woolens; that they do not propose to stand on the question of the amount of reduction or to insist that it must be enough necessarily to satisfy the principle of tariff for revenue only, but that they are willing to accept a substantial reduction in the present rates in order that the people might be relieved from the possibility of oppressive prices due to excessive rates. I strongly desire to reduce the duties, provided only the protection system be maintained, and that industries now established be not destroyed. It now appears from the Tariff Board's report, and from bills which have been introduced into the House and the Senate, that a bill may be drawn so as to be within the requirements of protection and still offer a reduction of 20 per cent on most wool and of from 20 per cent to 50 per cent on cloths. I can not act upon the assumption that the controlling majority in either House will refuse to pass a bill of this kind, if in fact it accomplishes so substantial a reduction, merely because members

of the opposing party and the Executive unite in its approval. I, therefore, urge upon Congress that it do not adjourn without taking advantage of the plain opportunity thus substantially to reduce unnecessary existing duties. I appeal to Congress to reconsider the measure, which I now return without my approval, and to adopt a substitute therefor making substantial reductions below the rates of the present act, which the Tariff Board shows possible, without destroying any established industry or throwing any wage-earners out of employment, and which I will promptly approve.

WM. H. TAFT.

The White House, August 9, 1912.

The Iron and Steel Schedule, 1912.

To the House of Representatives:

I return, with my objections, H. R. 18642, a bill entitled "An act to amend an act entitled 'An act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes,'" approved August 5, 1909.

This bill provides for a complete revision of Schedule C of the tariff law, relating to metals and manufactures of metals. In committee and in the consideration of the majority who passed the bill the important part of it seems to have been the basic manufactures of iron and steel, and most of the information which was obtained and discussed was in reference to that manufacture. The truth is that iron and steel as primary products are less than one-third in value of the subject matter covered by it; and that there may be no misunderstanding in regard to this, I present, as an appendix, a table prepared by the Census Bureau showing that included in Schedule C are 59 allied industries of sufficient importance to justify separate classification, study, and report by the Census Bureau, all of which are directly affected by the bill under consideration.

If only the primary products of iron and steel were affected by this bill, or if they constituted the larger part of the values involved in Schedule C, the consideration of the bill for purposes of approval or disapproval would be easier, but it is not within my power to separate these various industries. The bill is presented to me as a whole and must be approved or disapproved as a whole.

The table furnished showed that "foundry and machine shop products," which are secondary products of the iron and steel industry, are made by more than 13,000 competing establishments, with an invested capital of more than a billion and a half dollars, with more than half a million wage earners employed, and producing nearly a billion and a quarter dollars in value of products annually. Every dollar of this capital and every workman employed in the industry is directly affected by the bill, and I can not find, either in the report of the Committee on Ways and Means of the House or, to any extent, in the discussion of the schedule, that serious consideration has been given to the effect of this revision on this particular branch of the industry, and the same thing is true of more than two-thirds of the industries covered by the schedule.

It appears in the discussion of this revision now presented to me for consideration that no public hearings have been given by the Ways and Means Committee of the House, on the ground that it would thereby cause delay. The Ways and Means Committee avowed that the principle of protection had not been considered, but that in framing the present revision of the metal schedule the committee had "adopted the general principle of reducing all duties to a revenue basis, so far as practicable, except in those cases where more cogent consideration than those relating to the fiscal policy of the Government dictated the transfer of given items to the free list." This makes a

clear-cut issue between the protective policy and that of a tariff for revenue only, and without fuller information, therefore, I am obliged to treat this bill as a revenue bill, and one in which the consideration of preserving the industry by maintaining a tariff necessary to do so had little weight. There is nothing to show me that the duties provided in the bill will equal the difference in the cost of production here and abroad in the great lines of industries, and that the wages of workmen will not be reduced by a measure which avowedly discards entirely the principle of fair protection. It should be noted that the labor employed in the secondary industries, which has had so little consideration in this bill, is in a large measure high-grade, skilled labor, commanding a high level of wages.

This schedule was included in the general tariff revision of 1909, at which time public hearings were given, attended by importers, domestic producers, employees, and consumers, and the rates then on many of its items were heavily cut, ranging from 10 to 75 per cent, and it would seem now that a thorough study of each one of these separate industries should at least be made, that the Executive and Congress as well might act wisely and intelligently upon them, in order to avoid a further revision at an early date when the facts concerning them could be ascertained.

The products of many of these industries affected by this bill do not enter directly into the daily consumption of the people. The consumers of these products are, to a large extent, manufacturers using these articles in further processes of production. There is no evidence of any widespread demand from such consumers for a revision of the rates on these articles, and for this reason a sufficient time may well be taken to give the study to the respective industries which their importance would seem to demand.

I am not prepared to say that there are no items in this schedule which might not well be reduced, but the general average ad valorem rate of duty under it, taken as a whole for the year 1911, is 32.03 per cent, as against 37.97 per cent in 1896 under the Wilson law, or an apparent reduction of 15.6 per cent of the Wilson duties. The Dingley rates for this schedule in 1909 were 38.09 per cent, showing a reduction in 1911 for the present law of 15.9 per cent of the Dingley rates. Indeed, there is no year since 1883 when the Government statistics show as low an ad valorem rate of duty for this schedule as is shown in 1911, and it does not appear that schedule statistics were kept prior to 1883, so that no comparison can be made prior to that time.

There is little logical relation between the reductions made by this bill in the schedule. For example, steam engines and machine tools in the present law are dutiable at 30 per cent. In this revision steam engines are reduced to 15 per cent, and the whole machine-tool industry is put on the free list, without any reason whatever being given in the report of the Ways and Means Committee in either case for such action.

The term "machine tools" has already been the subject of much litigation, and its scope should be clearly defined before the great variety of articles which it now seems to cover are placed on the free list.

The expansion of our foreign trade would seem to demand that a transfer to the free list, like the one made in this bill, of such an enormous range of undetermined products and the opening of the best market in the world to free and unrestricted competition should not be made without at the same time at least securing, as is the case now of specified agricultural implements, the privilege of a like free entry into the markets of our competitors.

It is further difficult to understand by what process of reasoning it is possible to justify a transfer to the free list of a great line of finished articles, while nearly every one of the crude products from which they are made are retained on the dutiable list.

A bill for a complete revision of this schedule was presented to me a year ago in the extra session of this Congress. Many increases and decreases of rates are now made from those named in the former measure. The changes are not explained and indicate a hasty method pursued in the preparation of both. Is it not fair to ask, either on the basis of protection or revenue, which was right?

On the whole, therefore, I am not willing to approve of legislation of this kind, which vitally affects not only millions of workingmen and the families dependent on them, but hundreds of millions of dollars' worth of stocks of goods in the hands of storekeepers and distributors generally, without first providing for a careful and disinterested inquiry into the conditions of the whole industry.

From the outset of my administration I have urged a revision of the tariff based on a nonpartisan study of the facts. I have provided the means for securing such information in the appointment of a Tariff Board. Their thorough work, already completed on several schedules, has justified my confidence in this method. The principle is indorsed by chambers of commerce and boards of trade in almost every city of importance in the country. The proposed bill has not been framed on the basis of any such study of the industry.

Avowedly its rates are fixed with no consideration of anything but revenue. The principle of protection is disregarded entirely, and, therefore, it is not too much to say that the effect of these sweeping changes on the welfare of those engaged in these varied industries has been disregarded.

WM. H. TAFT.

The White House, August 14, 1912.

Mr. Bryan asks me what I would do with the trusts. I answer that I would restrain unlawful trusts with all the efficiency of injunctive process and would punish with all the severity of criminal prosecution every attempt on the part of aggregated capital to suppress competition.—Hon. Wm. H. Taft, at Columbus, Ohio.

Government must be honest, business dealing must be square with the principles of right and justice, the things that are pure and clean and of good repute must be exalted; and underlying the whole fabric of our institutions we must safeguard our schools and keep pure and undefiled, as the very foundation of our liberties, the American home.—Postmaster-General Cortelyou on Lincoln's Influence on American Life.

The course of the Republican party since its organization in 1856, and its real assumption of control in 1861, down to the present day, is remarkable for the foresight and ability of its leaders, for the discipline and solidarity of its members, for its efficiency and deep sense of responsibility for the preservation and successful maintenance of the Government, and for the greatest resourcefulness in meeting the various trying and difficult issues which a history of now a full half-century have presented for solution.—Hon. Wm. H. Taft, at Kansas City, Mo.

Under our policy of free trade we have lost that commercial and industrial superiority we acquired under the policy of strict protection. Our policy of direct taxation bears heavily upon our industries and reacts on the working classes in reduction of wages and employment. Our agriculture has been ruined and our industries are struggling hard for existence. Other nations, under a policy of strict protection, are beating us in the race of competition, not only in neutral, but in our own markets.—Sir Guilford L. Molesworth on Free Trade in England.

It is a mistake to assume that the Supreme Court in its decision in the Oregon case upholds the initiative and referendum method of legislation, or even the right of a State under the Federal Constitution to adopt it. The Pacific States Telephone and Telegraph Company, in refusing to pay a tax imposed by a law enacted through the initiative and referendum process, took the ground that the act was unconstitutional because the adoption of that process in the Constitution of the State deprived it of a republican form of government, which the United States is bound by the Federal Constitution to "guarantee to every State in this Union." The Supreme Court declined to pass upon the question of the constitutionality of this tax law because it would involve the question whether the State of Oregon has had a republican form of government since the adoption in its Constitution of the initiative and referendum method of legislation, and that is not a judicial but a political question, which it is for Congress to determine. That is all that the court has really decided.—New York "Journal of Commerce."

THE ECONOMY AND EFFICIENCY COMMISSION.

PRESIDENT TAFT'S EFFORTS IN BEHALF OF ECONOMY AND INCREASED EFFICIENCY IN GOVERNMENTAL SERVICES.

President Taft has been for years an advocate of a careful readjustment and co-ordination of the conditions under which the various branches of the governmental services are conducted, both with reference to expenditures and the efficiency of the services performed.

His experience, first as a judge, then in the Philippine Islands, Cuba, Panama, in the War Department and finally in the White House gave him an acquaintance with the business operations and methods of the various branches of the governmental service, and through this view, from the various standpoints, he recognized the heterogeneous and unsatisfactory conditions under which the governmental business is administered. This condition is a natural result of the gradual development of the various branches of the governmental service through their conduct by various officers changing from administration to administration or by advancement or otherwise. As a result, the business methods utilized in the various branches of the service differ widely and are in some inadequate; in many cases cumbersome, and in numerous instances unnecessarily expensive. Moreover, the various sections of the governmental machine, established by different individuals, and having no system for the general direction and co-ordination thereof, in many instances have failed to adjust themselves to other branches of the service and to thus render the full possibility of their value.

This condition, which President Taft had noted in the various branches of the government service, especially when he came to the head of a department and then to the head of the Government, appealed to him as one which would justify a thorough study by competent men, expert in business methods and the analysis thereof, who were experienced in adjusting the various features of great business organizations.

To this end he laid the matter before Congress in the early part of his administration and recommended the creation of a commission of competent persons for this task. His recommendation met with favorable consideration by Congress, and an appropriation of \$100,000 was made on June 25, 1910, "To enable the President to inquire into the methods of transacting the public business of the Executive Department and other government establishments, and to recommend to Congress such legislation as may be necessary to carry into effect changes found to be desirable that cannot be accomplished by executive action alone."

This commission was appointed, made up of experts of high character, and has already given evidence of the wisdom of this vast undertaking, as proposed by President Taft.

The Economy and Efficiency Commission, in the partial study which it has thus far made of the details of the methods by which the services of the Government is conducted in its enormous and varied branches, has formulated methods by which the expenditures of money may be reduced by many millions of dollars annually, and the service at the same time greatly improved.

An outline of the work thus far performed was presented to Congress by President Taft in a message in January of the

present year. With that message he transmitted a report from the commission. At that time he said:

"This report . . . shows in great detail, by means of outlines, not only the departments, commissions, bureaus and offices through which the Government performs its various activities, but also the sections, shops, fields, stations, etc., constituting the subordinate divisions through which the work is actually done. It shows for the service at Washington each such final unit as a laboratory, library, shop and administrative sub-division; and for the service outside of Washington, each station and point at which any activity of the Government is carried on.

"From these outlines," he adds, "it is possible to determine not only how each department, bureau and operating unit is organized, but also by classifying these units by character and geographical location, compare the units of a like character that exist in Washington, and the number and character of services of the Government in each city or other point in the United States. With this information available it is possible to study any particular activity, or the problem of maintaining any service at any given city or point."

"Information of this character," he adds, "has never before been available. Administrative officials have been called upon to discharge their duties without that full knowledge of the machinery under their direction, which is so necessary to the exercise of effective control; much less have they had information regarding agencies in other service that might be made use of."

"So dependent," he says, "are other reforms upon the proper grouping of service that I have instructed the commission to indicate in its report the changes which should be made in the existing organization, and to proceed in the same way as would far-seeing architects or engineers in planning for the improvement and development of a great city. My desire is to secure and furnish to the Congress a scheme or organization that could be used as a basis of discussion and action for years to come. In the past services have been created one by one, as exigencies have seemed to demand, with little or no reference to any scheme or organization of the Government as a whole. I am convinced that the time has come when the Government should take stock of all its activities and agencies, and formulate a comprehensive plan with reference to which future changes may be made."

The details of the tremendous work performed by this Commission of Economy and Efficiency during the two years of its operation, the study by its expert officers and employees of the conditions in the various branches of the governmental service, the opportunities for the reduction of expenses and the improvement of the service, the consolidation of certain lines of work and the enlargement of others, where new fields in the interests of commerce and industries are opening, cannot be presented in detail in a publication of this character. Suffice it to say that this plan of a business-like organization of the business affairs of the Government, developed by President Taft, has made such progress as to indicate that if carried to completion and actual operation, the saving in expenditures will be many millions of dollars annually, and the service of the Government to its citizens greatly improved.

So evident has been the value of the work thus far performed and the promises which it gives of a business-like adjustment and correlation of the various branches of the governmental service that Congress, in the appropriations for the present fiscal year appropriated a liberal sum for a continuation and completion of the studies thus begun. Even those who were for partisan reasons disposed to criticise the plans have recognized in the work thus far performed such vast possibilities of legitimate economy, and at the same time increased efficiency in government expenses and operations that the objections originally offered to the necessary appropriation for the continuation of the work were overcome, and the necessary allowance made in the provision for the operating ex-

penses of the Government for the fiscal year ending June 30, 1913.

The President's views upon this subject are outlined in the opening part of a message sent to Congress on January 17, 1912, as follows:

"Efficiency and economy in the government service have been demanded with increasing insistence for a generation. Real economy is the result of efficient organization. By perfecting the organization the same benefits may be obtained at less expense. A reduction in the total of the annual appropriations is not in itself a proof of economy, since it is often accompanied by a decrease in efficiency. The needs of the Nation may demand a large increase of expenditure, yet to keep the total appropriations within the expected revenue is necessary to the maintenance of public credit.

"Upon the President must rest a large share of the responsibility for the demands made upon the treasury for the current administration of the executive branch of the Government. Upon the Congress must rest responsibility for those grants of public funds which are made for other purposes.

"Recognizing my share of responsibility for efficient and economical administration, I have endeavored, during the past two years, with the assistance of heads of departments, to secure the best results. As one of the means to this end I requested a grant from Congress to make my efforts more effective.

"An appropriation of \$100,000 was made June 25, 1910, 'to enable the President to inquire into the methods of transacting the public business of the executive departments and other government establishments, and to recommend to Congress such legislation as may be necessary to carry into effect changes found to be desirable that cannot be accomplished by executive action alone.' I have been given this fund to enable me to take action and to make specific recommendations with respect to the details of transacting the business of an organization whose activities are almost as varied as those of the entire business world. The operations of the Government affect the interest of every person living within the jurisdiction of the United States. Its organization embraces stations and centers of work located in every city and in many local sub-divisions of the country. Its gross expenditures amount to nearly \$1,000,000,000 annually. Including the personnel of the military and naval establishments, more than 400,000 persons are required to do the work imposed by law upon the executive branch of the Government.

"This vast organization has never been studied in detail as one piece of administrative mechanism. Never have the foundations been laid for a thorough consideration of the relations of all of its parts. No comprehensive effort has been made to list its multifarious activities or to group them in such a way as to present a clear picture of what the Government is doing. Never has a complete description been given of the agencies through which these activities are performed. At no time has the attempt been made to study all of these activities and agencies with a view to the assignment of each activity to the agency best fitted for its performance, to the avoidance of duplication of plant and work, to the integration of all administrative agencies of the Government, so far as may be practicable, into a unified organization for the most effective and economical dispatch of public business.

"Notwithstanding that voluminous reports are compiled annually and presented to the Congress, no satisfactory statement has ever been published of the financial transactions of the Government as a whole. Provision is made for due accountability for all moneys coming into the hands of officers of the Government, whether as collectors of revenue or disbursing agents, and for insuring that authorizations for expenditures as made by law shall not be exceeded. But no general system has ever been devised for reporting and presenting information regarding the character of the expenditures made in such a way as to reveal the actual costs entailed in the operation of individual services and in the performance of

particular undertakings, nor in such a way as to make possible the exercise of intelligent judgment regarding the discretion displayed in making expenditure and concerning the value of the results obtained when contrasted with the sacrifices required. Although earnest efforts have been put forth by administrative officers, and though many special inquiries have been made by the Congress, no exhaustive investigation has ever before been instituted concerning the methods employed in the transaction of public business with a view to the adoption of the practices and procedure best fitted to secure the transaction of such business with maximum dispatch, economy and efficiency."

We seek physical power because it may advance our moral and intellectual well-being.—Hon. C. W. Fairbanks, at Lancaster, Mass., June 30, 1903.

Duty determines destiny. Destiny which results from duty performed may bring anxiety and perils, but never failure and dishonor. Pursuing duty may not always lead by smooth paths. Another course may look easier and more attractive, but pursuing duty for duty's sake is always sure and safe and honorable.—President McKinley at Chicago, October 19, 1898.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned.—Hon. Wm. H. Taft, at Columbus, Ohio.

Let nothing distract us; let no discordant voice intrude to embarrass us in the solution of the mighty problems which involve such vast consequences to ourselves and posterity. Let us remember that God bestows supreme opportunity upon no nation which is not ready to respond to the call of supreme duty.—President McKinley at St. Louis, October 14, 1898.

The recall has an attractive sound. It appears to give the voters additional control over their representatives. But, in my judgment, the immediate effect of such a system will be to make the voter still more careless than he has been in the first election, because he will be tempted to rely upon the power to correct his own errors at his will.—Secretary Nagel at Houghton, Mich.

The price of wheat in 1909, as compared with 1899, shows an increase of 69 per cent.; corn, 97 per cent., and oats, 63 per cent., while the barb wire used for fences shows a decrease during the same period of 27½ per cent., and the binding twine used by the farmer in harvesting his wheat and oats costs 30 per cent. less than it did 10 years ago. The plow he uses costs the same, and the binder, mower, rake and tedder costs only about 3¼ per cent. more for a much better machine. The farmer receives an average price for butter, eggs, milk and cream 54 per cent. higher than 10 years ago, but he buys a first-class cream separator 40 per cent. cheaper than he did then. Salt, used in large quantities on the farm, in the dairy and packing houses, shows a decrease in price of 4 per cent., while hams sell for 31 per cent. and bacon for 59 per cent. more than 10 years ago. In spite of the fact that the great advance in cost of the necessities of life has increased the cost of labor more than 33 per cent., the great manufacturing companies have been able, by economy in administration, operation and cost of distribution, to keep their prices down substantially to the level of 10 years ago, and by increasing their sales in foreign lands, are offsetting in great measure the loss of our exports of foodstuffs, which are rapidly diminishing to the vanishing point.—President Brown, of New York Central Railroad.

We are making progress and ought to make progress in the shaping of governmental action to secure greater equality of opportunity, to destroy the undue advantage of special privilege and of accumulated capital, and to remove obstructions to the pursuit of human happiness; and in working out these difficult problems we may possibly have, from time to time, to limit or narrow the breadth of constitutional guarantees in respect of property by amendment. But if we do it, let us do it deliberately, understanding what we are doing, and with full consideration and clear weighing of what we are giving up of private right for the general welfare. Let us do it under circumstances which shall make the operation of the change uniform and just, and not depend on the feverish, uncertain and unstable determination of successive votes on different laws by temporary and changing majorities. Such a proposal as this is utterly without merit or utility, and, instead of being progressive, is reactionary; instead of being in the interest of all the people and of the stability of popular government, is sowing the seeds of confusion and tyranny.—President Taft, at Toledo.

THE CIVIL SERVICE.

The chief criticisms of the Civil Service of the United States indulged in by the opponents of the Republican party are based either upon a total misapprehension or a willful misstatement of facts.

The Civil Service law was enacted in 1883 for the purpose of stopping the flagrant abuses which had developed under the old patronage system of appointments. Under that system the government service in the Departments at Washington had become inefficient and extravagant. Public office was considered a perquisite of the party in power, not a public trust.

It was to remedy such evils that the Civil Service law was enacted, and during the twenty-eight years of its enforcement there has been developed a high order of industry, integrity, and efficiency in the public service. This development has, of course, not been free from difficulties. Mistakes have been made, but year by year the merit system has been improved and extended until now the competitive classified service covers about 227,000 Federal officials and is recognized as necessary for good administration.

The conclusive answers to the criticisms are the following plain statements of existing conditions and the course of the Republican Party during the fifteen years in which it has had control of the administration:

First.—Entrance to the Federal classified service is not dependent upon personal or political influence; hence the service is now composed of self-respecting, independent men and women who appreciate that advancement will depend upon individual industry and ability. They do not constitute a body of permanent officeholders who are protected from removal even though inefficient and incapacitated, as charged. The power of removal is absolute in the head of every Department. The only limitations upon causes of removal are that employees must be treated with justice, that like penalties must be imposed for like offenses, and that no person shall be removed from a competitive position except for such cause as will promote the efficiency of the service. The only limitation involved in the procedure prescribed by the Civil Service rule for removal is that the cause of removal shall be stated in writing and filed, and that the employee shall be furnished with a statement of reasons and an opportunity to make written reply; no trial and no opportunity for a hearing need be given him under the rules. The only limitation is, as stated, that the cause of removal must be one which will promote the efficiency of the service; that is, must be, for instance, for misconduct or negligence or laziness, or some such cause; and that one employee shall not be punished in a different manner from another.

The Civil Service Commission strictly enforces the prohibition against making removals for political reasons; but its authority is limited to the enforcement of that prohibition.

The merit system does not result in an undue permanency of tenure. 48.2 per cent of the employees in the classified service of the country have served less than five years, and 72.5 per cent have served less than ten years. In the District of Columbia naturally the service is more stable, and in the Departments at Washington 30.8 per cent have served less than five years and 56.1 per cent less than ten years. The appointments made as a result of the examinations in the entire service are at the rate of about 2,000 per month; about 20 per cent of the entire service and about 15 per cent of the departmental service in Washington

changes each year. The inefficient employee gives way to the efficient, or the efficient employee finds private work more profitable or more congenial.

The charge that the service is filled with superannuated clerks is unfounded. 60.7 per cent of the employees are less than 40 years old, and 91 per cent less than 60 years old. In Washington 53.1 per cent are less than 40, and 87 per cent less than 60 years old.

Second.—It is not claimed that a competitive examination is an absolutely correct means of determining the qualifications of applicants, but it is the best means yet devised. The Civil Service Commission is constantly changing the character of the examinations to meet the special requirements of particular places. The experience of twenty-five years has shown definitely that the average examination can be passed by any intelligent person who has had a common school education, and does afford a remarkably accurate basis for the determination of the relative ability of applicants.

As a result of the examination for scientific and technical positions, there have been built up various corps of thoroughly trained men who have placed the scientific work of this Government in the forefront among the nations of the world. This has been particularly true, and the results obtained have been of great practical value, in the Departments of the Interior, Agriculture, and Commerce and Labor.

Third.—It is a mistake to suppose that the Civil Service Commission exists simply for the purpose of enforcing the law and rules. Its purpose is to provide the most efficient eligibles possible for every branch of the service. It looks to the good of the service, not to the mere enforcement of a rule. It is the barrier against the spoils system, but it does not protect the inefficient or dishonest employee.

The ideal Civil Service law should close the door to entrance into the public service except through a method which can be followed by any qualified person without political influence or favor, but leaves to the executive authorities the power to remove for any cause, other than political or religious. It is toward this ideal that the present Administration is working.

The business of the Government has grown in proportions not appreciated by the people at large. The executive Departments are made responsible for the expenditure of about \$600,000,000 annually. Such expenditures can be wisely and honestly made only by exercising the highest degree of business ability and selecting efficient, capable employees who will make good service to the Government their ambition. The Republican Party has proved that under its administration the business of government is so conducted. The President, the party's present representative, has appointed men of recognized ability and judgment to carry on executive work. He has made no promises impossible of fulfillment. By precept and example he has inspired public officers to a higher sense of duty. In this administration neither personal nor political influence has availed to save the corrupt official from punishment. American citizens should remember and take to heart these words of the President:

"The most successful governments are those in which the average public servant possesses that variant of loyalty which we call patriotism, together with common sense and honesty. We can as little afford to tolerate a dishonest man in the public service as a coward in the army. The murderer takes a single life; the corruptionist in public life, whether he be bribe giver or bribe taker, strikes at the heart of the commonwealth. In every public service, as in every army, there will be wrongdoers, there will occur misdeeds. This can not be avoided; but vigilant watch must be kept, and as soon as discovered the wrongdoing must be stopped and the wrongdoers punished."

Mr. Taft has, during his entire political career, been a steady and efficient supporter of the improvement of the Civil Service from the time that he introduced the merit system into the government of the Philippines.

MERCHANT MARINE.

Since 1896 American merchant shipping has steadily increased in tonnage and in efficiency as a means of transportation; but this increase has been confined to the domestic commerce of the United States, the coastwise trade, which under the traditional policy of the country, has been reserved to American vessels, the product of American labor and American capital. The preservation of this policy is essential to the maintenance of domestic shipyards, and the maintenance of the shipyards in turn is essential to the national defense, because without them we should be dependent upon foreign nations for the construction of the vessels of our navy and would be reduced to the rank of third-rate nations.

The following table shows the total gross tonnage of the American merchant marine for the years mentioned, divided according to the trade in which it was engaged:

Year.	Built.	Foreign trade.	Domestic trade including Great Lakes.	Great Lakes.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.
1880-----	157,409	1,352,810	2,715,224	605,102	4,068,034
1885-----	159,056	1,287,908	2,977,936	749,948	4,265,934
1890-----	294,122	946,695	3,477,802	1,063,063	4,424,497
1895-----	111,602	838,186	3,797,774	1,241,459	4,635,960
1900-----	393,790	826,694	4,338,145	1,565,587	5,164,839
1905-----	330,316	954,513	5,502,030	2,062,147	6,456,543
1910-----	342,068	782,517	6,725,565	2,895,102	7,508,082
1911-----	291,162	863,495	6,775,295	2,943,528	7,638,790

The following table shows the total tonnage of American merchant shipping on June 30, 1896, and June 30, 1911, according to geographical divisions:

Year.	Atlantic and Gulf.	Pacific.	Great Lakes.	Western rivers.	Total.
1896-----	2,667,314	437,972	1,324,067	274,527	4,703,880
1911-----	3,570,138	973,605	2,943,523	151,524	7,638,790
Increase ----+	+902,824	+535,773	+1,619,456	-123,003	+2,934,910

The following table shows the same tonnage divided according to occupation:

	Foreign trade.	Coasting trade.	Sea fisheries.	Total.
1896-----	829,833	3,790,296	83,751	4,703,880
1911-----	863,495	6,720,313	54,982	7,638,790

The tariff act of August 5, 1909, extended the free list by admitting free of duty all materials of foreign production necessary for vessels built in the United States for the foreign trade and to engage for six months, instead of two months, in the coasting trade. Tonnage duties on vessels in trade between the United States and foreign ports in North America, Central America, Mexico and the West Indies were reduced from 15 cents per ton to ten cents per ton annually, tonnage duties on

vessels on the Great Lakes were abolished, and to offset the loss of revenue a duty of 35 per cent ad valorem was imposed on foreign-built steam yachts purchased by Americans.

Effectual cooperation between the Federal Government and the State Governments in the instruction of youths in navigation, marine engineering and seamanship under the Act of 1874 has been extended by the Act of March 4, 1911. The Navy Department now furnishes school ships, naval officers as instructors and books and instruments, and under the new act Congress may appropriate up to \$25,000 annually for each such school an amount equal to the State appropriation. These school ships are authorized in the States of California, Massachusetts, Maryland, Michigan, New York, Pennsylvania, Texas, Virginia and Washington.

SAFETY TO LIFE ON THE HIGH SEAS.

Congress and the present Administration were prompt to recognize the value of wireless telegraphy as an agency to promote the safety of life at sea, and the United States has been first among maritime nations to require wireless apparatus and operators on steamships. By the Act of June 24, 1910, all ocean passenger steamships with 50 or more persons on board and on sea routes of 200 miles or more must be equipped with efficient wireless apparatus and skilled operators. Under this law about 500 steamers, including all of the transatlantic liners, which bring annually about 1,000,000 steerage passengers into the United States, have for over a year been provided with this invention, which has repeatedly and in well-known instances demonstrated its value to humanity. The Senate on April 3, 1912, ratified the Berlin radiotelegraphic convention by which maritime nations generally agreed to regulate wireless so as to secure its orderly working and prevent a threatened world-wide monopoly.

On our inland waters, where about 200,000 motor boats are used by our people for purposes of trade or pleasure, Congress and the Administration have also provided for increased safety to life. The Motor Boat Act of June 9, 1910, prescribes sensible navigation rules as to lights and signals, life preservers and means of extinguishing burning gasoline. The enforcement of this law, with the cooperation of the motor boat organizations and of the press, has materially reduced the number of accidents and fatalities.

The Senate on January 18, 1912, ratified the Brussels treaty negotiated by the Administration relating to salvage and assistance at sea which requires the captain of every ship, regardless of nationality, to render assistance to everybody, even though an enemy, found at sea in danger of being lost.

It is always safe to array yourself on the side of your country; it is always safe to stand against lawlessness and repudiation.—Maj. McKinley at Canton, Sept. 23, 1896.

What I am anxious to emphasize is that there is a wide economic and business field in which the interests of the wealthiest capitalist and the humblest laborer are exactly the same.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

Every one who knows anything about the management of railroads knows that there has been a revolution in respect to their obedience to the law. No longer are special privileges granted to the few—no longer are secret rebates extended to build up the monopoly of the trusts. The railroads are operating within the law, and the railroad directors and officers and stockholders ought to rise up and call blessed the men who are responsible for the passage of the rate bill.—Hon. Wm. H. Taft, at Kansas City, Mo.

Number and Net and Gross Tonnage of Steam and Sailing Vessels of Over 100 Tons, of the Several Countries of the World, as Recorded in Lloyd's Register for 1911-12.

Flag.	Steam.		Sail.		Total tonnage.
	Number.	Gross tons.	Number.	Net tons.	Tonnage.
British:					
United Kingdom.....	8,487	17,292,715	847	579,982	17,872,697
Colonies	1,414	1,350,934	694	195,193	1,546,127
Total.....	9,901	18,643,649	1,541	775,175	19,418,824
American (United States):					
Sea	1,115	1,715,427	1,647	1,093,257	2,808,684
Lakes	579	2,201,866	35	99,757	2,301,623
Philippine Islands.....	76	45,087	14	2,884	47,971
Total.....	1,770	3,962,380	1,696	1,195,898	5,158,278
Argentinian	212	154,851	67	22,228	177,079
Austro-Hungarian	377	844,981	5	1,507	846,488
Belgian	154	284,662	6	3,723	288,385
Brazilian	342	263,211	67	17,297	280,508
Chilean	98	112,589	42	37,427	150,016
Chinese	66	86,550			86,550
Cuban	57	59,988	9	2,563	62,551
Danish	551	692,718	303	60,036	752,754
Dutch	559	1,029,596	100	28,691	1,058,287
French	890	1,542,563	588	434,294	1,976,862
German	1,856	4,092,015	343	374,865	4,466,880
Greek	322	560,475	98	25,295	585,870
Haitian	5	3,387			3,387
Italian	479	1,026,823	598	313,685	1,340,508
Japanese	861	1,200,975	5	2,245	1,203,220
Mexican	42	34,733	16	3,878	38,611
Norwegian	1,373	1,537,873	697	616,458	2,154,331
Peruvian	16	20,130	40	19,909	40,039
Portuguese	98	77,945	101	27,507	105,452
Roumanian	22	31,688	1	285	31,973
Russian	649	710,951	542	184,307	895,258
Sarawak	5	3,673			3,673
Siamese	13	13,499			13,499
Spanish	526	758,697	65	17,454	775,551
Swedish	975	808,898	465	122,584	931,482
Turkish	162	141,778	179	60,914	202,692
Uruguayan	38	49,918	14	9,984	59,902
Venezuelan	8	4,232	5	679	4,911
Other countries: Bulgaria, Colombia, Costa Rica, Ecuador, Egypt, Hon- duras, Liberia, Nicara- gua, Oman, Panama, Persia, Salvador, Sa- mos, Zanzibar, etc.....	46	26,739	21	6,594	33,333
Total.....	22,473	58,781,572	7,614	4,365,582	43,147,154

Class appeals are dishonest. * * * they calculate to separate those who should be united, for our economic interests are common and indivisible.—Maj. McKinley to Commercial Traveling Men's Republican Club, September 26, 1896.

The only substantial steps which have been really taken to stop the abuses and oppression attempted by the irresponsible holders of great wealth and corporate power have been by the Republican Party.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

The framers of the Constitution did not believe that any man or any body of men could safely be intrusted with unlimited power. They thought, and all experience justified them in thinking that human nature could not support the temptation which unlimited power always brings. They had deeply ingrained the belief of the English-speaking people that the power of the king should be strictly limited. They felt that this great principle applied with equal force to ten thousand or ten million kings—in other words, to a popular majority of numbers. They established a representative democracy and a thoroughly popular government, but they thought that the "right divine of kings to govern wrong" was as false a maxim when applied to many men called voters as when applied to one who happened to wear a crown.—Senator Lodge, at Princeton.

FOREIGN SUBSIDIES, BOUNTIES AND OCEAN MAIL PAY.

During the fiscal year ended June 30, 1911, the United States paid to American vessels for the transportation of ocean mails \$1,321,418.81 and to foreign vessels \$1,140,455.46, a total of \$2,461,874.27. The expenditures of foreign nations for mail subsidies, admiralty subventions and navigation bounties to their respective merchant marines aggregate annually at this time about \$45,000,000 divided substantially as follows, according to returns for recent years:

TABLES OF FOREIGN SUBSIDIES, MAIL PAY, BOUNTIES, ETC.**Great Britain and colonies:**

Subsidies and mail pay (British Postmaster-General, 1908)	\$3,320,454
Cunard Admiralty subvention (1909).....	729,000
Royal Naval Reserves (1909-10).....	1,783,620
Canadian subsidies and mail pay (1910).....	1,581,800
Canadian fisheries bounties (1909).....	160,000
Australian and New Zealand subsidies and mails (1909)	1,263,600
Cape Colony subsidy (1909).....	656,910
Jamaica subsidy (1909)	194,000
Total	\$9,689,384

France:

Mail subsidies (1908)	\$5,217,037
Navigation and shipowners' bounties (1908).....	6,079,500
Shipbuilding bounties (1908)	2,007,200
Fisheries bounties	120,000
Total	\$13,423,737

Japan:

Mail subsidies (new law, 1910).....	\$4,379,000
Shipbuilding bounties (1908)	997,700
Fisheries bounties	37,000
Total	\$5,413,700

Italy:

Mail subsidies (1908)	\$2,328,917
Navigation bounties (1909)	677,734
Shipbuilding bounties (1909)	866,266
Total	\$3,872,917

Spain:

Mail subsidies (new law, 1910).....	\$1,858,186
Navigation bounties (new law, 1910).....	1,291,826
Shipbuilding bounties	Not ascertained.
Total	\$3,150,012

Austria-Hungary:

Austrian-Lloyd subsidy (1908)	\$1,450,400
Suez Canal refunds (1908).....	375,000
Navigation and shipbuilding bounties (1908).....	880,000
Hungarian mail contracts (1908).....	279,130
Total	\$2,984,530

Germany:

Mail subsidies (1908)	\$1,706,460
Mail pay (1907)	594,569
Total	\$2,301,029

Russia:

Subsidies (1908)	\$1,543,578
Suez Canal refunds (1908)	334,750
Total	\$1,878 328

Norway:

Mail subsidies (1908-9)	\$561,788
Trade subsidies (1908-9)	513,555
Tariff refunds (1908-9)	26,800
Total	\$1,102,143

Netherlands:

Mail subsidies (1908)	\$841,827
Naval reserves (1908)	38,184
Total	\$880,011

Sweden:

South American and Asiatic subsidies (1909)....	\$140,000
Mail pay (1908)	137,752
State loans	Not ascertained.
Total	\$277,752

Denmark:

Trade subsidies and harbor dues exemption (1902)	\$145,000
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Belgium:

Trade bounties (1908)	\$23,160
Pilotage refunds (1908)	32,810
Total	\$55,970

Portugal:

Mail subsidy (1908-9)	\$50,000
Grand total	\$45,224,513

Outside of Europe and Japan subsidies and mail payments have been reported for 1908 as follows: Chile, \$253,195; Mexico, \$75,000; Egypt, \$54,512; Brazil, \$1,300,000; in all, \$1,682,707, making with the above a total of \$46,907,220.

I believe that a navy is the greatest insurer of peace that we could possibly have—a navy commensurate with our resources, and commensurate with our coast line, and commensurate with the number of dependencies we have, and commensurate with our population, and commensurate with our influence as a world power.—Hon. Wm. H. Taft, at Cleveland, Ohio.

President Taft's speech at Toledo, combating the dangerous doctrine of recall of judges and recall of judicial decisions by popular vote was a masterly defense of popular government against insidious and disintegrating devices for supplanting the representative principle which has been so many times tested and vindicated, while such devices have uniformly been discarded or have brought ruin. We do not intend to mar the effect or mutilate the substance of this impressive address by summary or further citation. It should be read and pondered by every American voter capable of understanding it, and its influence should permeate the whole body of the electorate of the States and the Nation. In thus boldly and candidly inviting the confidence of the people President Taft showed a much higher confidence in the people and in their capacity for self-government than those who appeal to passion and prejudice and flatter with encomiums of superior wisdom to which few can pretend. He showed that he relied upon the ability of the people to understand the need of the checks and balances of the Government, and the essential necessity of orderly procedure through a carefully devised and assiduously preserved representative system. We believe that this faith in genuine popular government and this confidence in the capacity of the people to maintain its safeguards will be justified.—New York "Journal of Commerce," Democrat.

THE AFRO-AMERICAN CITIZEN.

President Taft is President of all the people. His care and interest on behalf of the citizens of the United States extends alike to all, irrespective of country of birth, creed, color or race. His tender solicitude for the brown man of the Philippines was a marked characteristic of his work in those islands, and gave to him the love and earnest support of that people, and in his work as President he has recognized no line of separation among the people forming the citizenship of the United States.

The statement has been made that there are fewer Afro-Americans in the service of the Government under President Taft than under previous previous Republican administrations.

The facts refute the statement. On July 1, 1912, there were more Afro-Americans in the service of the United States Government under the Taft Administration than ever before in the history of the country.

The following table shows the number of Afro-Americans in the service of the Federal Government, July 1, 1912:

Afro-American officers, clerks, and other employes in the service of the United States Government, July 1, 1912.

	Number.	Salaries.
The White House.....	27	\$19,302
Departmental Service, Washington, D. C.:.....		
State.....	26	19,360
Treasury.....	926	588,801
War.....	170	130,380
Navy.....	74	52,610
Post Office.....	187	118,173
Interior.....	593	358,112
Justice.....	43	26,640
Agriculture.....	164	89,816
Commerce and Labor.....	139	94,800
Washington Navy Yard.....	364	228,454
Government Printing Office.....	634	434,856
Interstate Commerce Commission.....	41	22,080
United States Senate, including Office Building.....	115	75,100
Library of Congress.....	46	24,920
Washington, D. C., City Post Office.....	171	174,600
District of Columbia Government, including unskilled laborers.....	2,413	1,479,000
Miscellaneous.....	194	104,114
Department Service at large:		
State (Diplomatic and Consular).....	16	38,410
Treasury.....	698	616,373
Post Office.....	3,399	2,607,134
Interior.....	31	25,788
Agriculture.....	102	58,217
Commerce and Labor.....	64	42,612
United States Army, officers.....	11	28,455
United States Army, enlisted men.....	4,416	1,138,766
United States Navy, enlisted men.....	1,529	678,070
United States Navy, Yards and Stations.....	2,146	1,210,070
Miscellaneous, including unclassified.....	580	581,515
Total.....	19,729	11,298,858
Recapitulation by localities:		
Foreign Stations (Diplomatic and Consular).....	16	38,410
Washington, D. C.....	6,332	4,043,518
New York City.....	635	599,394
Chicago, Illinois.....	670	588,902
Boston, Massachusetts.....	91	86,491
Cincinnati, Ohio.....	56	49,840
Richmond, Virginia.....	86	73,540
Jackson, Mississippi.....	33	29,220
Mobile, Alabama.....	63	69,173
Indianapolis, Indiana.....	40	30,460
St. Louis, Missouri.....	195	167,020
Louisville, Kentucky.....	98	86,840
At miscellaneous points.....	11,414	5,440,050
Total.....	19,729	11,298,858

PARTIAL LIST OF COLORED FEDERAL OFFICIALS.

Appointed by President Taft.

	Salary.
William H. Lewis, Assistant Attorney General	\$5,000
Whitfield McKinlay, Collector Customs, Washington	3,700
Charles A. Cottrill, Internal Revenue Collector, Honolulu	3,000
William D. Crum, Minister to Liberia	5,000
Henry L. Johnson, Recorder of Deeds	4,000
T. V. McAllister, Receiver Land Office, Jackson, Miss. ..	2,100
W. D. Johnson, Special Agent, Agricultural Department.	1,500
Nathan Alexander, Special Agent, Agricultural Department, Montgomery, Ala.	2,500
James N. Alexander, Deputy Collector, Los Angeles, Cal.	1,600
J. C. Napier, Register of the Treasury	4,000
P. B. S. Pinchback, Inspector	2,000
W. T. Vernon, Supervisor, Indian and Negro Schools ...	1,600
Wm. Bundy, Secretary of Legation at Monrovia	2,000
R. H. Terrell, Municipal Judge	2,500
S. Laing Williams, Assistant District Attorney at Chicago	2,000
Wm. C. Mathews, Assistant District Attorney at Boston .	1,600
Robert Smalls, Internal Revenue Collector, Beaufort, S. C.	1,500
Mrs. Booze, Postmistress, Mound Bayou, Miss.	1,800
Wm. L. Jones, Postmaster, Boley, Okla.	1,300

Retained by President Taft.

Henry W. Furniss, Minister to Haiti	\$10,000
Charles W. Anderson, Internal Revenue Collector, New York	4,500
Joseph R. Lee, Internal Revenue Collector, Jacksonville, Fla.	4,500
Ralph W. Tyler, Auditor for the Navy	4,000
Cyrus Field Adams, Assistant Register of the Treasury..	2,500
James W. Johnson, Consul at Corinto	3,000
Christopher Payne, Consul at St. Thomas	3,000
Wm. H. Hunt, Consul at St. Etienne	2,500
James G. Carter, Consul at Madagascar	2,500
George H. Jackson, Consul at Cognac	2,500
Herbert R. Wright, Consul at Puerto Cabello	2,000
Wm. J. Yerby, Consul at Sierra Leone	2,000
L. W. Livingston, Consul at Cape Hatien	2,000
Edmund A. Burrell, Vice Consul at St. Etienne	1,000
J. A. Cobb, Special Assistant District Attorney, Wash- ington	2,000
Isaiah J. McCottrie, Collector Customs, Georgetown, S. C.	600
John M. Holzendorf, Collector Customs, St. Marys, Ga...	520
George A. Reed, Postmaster, Beauford, S. C.	1,800
J. B. Washington, Postmaster, Tuskegee Institute, Ala...	1,800

Total salaries per annum\$106,660

LIST OF AFRO-AMERICANS IN THE DIPLOMATIC AND CON-
SULAR SERVICE OF THE UNITED STATES, JULY 1, 1912.*Diplomatic.*

Name.	Position and Address.	Salary.
Henry W. Furniss.	Envoy Extraordinary and Minister Plenipotentiary at Port-au-Prince, Haiti	\$10,000
William D. Crum,	Minister Resident and Consul General at Monrovia, Liberia	5,000
Richard C. Bundy,	Secretary of Legation at Monrovia, Liberia	2,000

Consular.

William J. Yerby,	Consul at Sierre Leone, West Africa..	\$2,000
James C. Carter,	Consul at Tamatave, Madagascar	2,500
Christopher H. Payne,	Consul at St. Thomas, West Indies	3,000
George H. Jackson,	Consul at Cognac, France	2,500

Lemuel W. Livingston, Consul at Cape Haitien, Haiti ..	\$2,000
William H. Hunt, Consul at St. Etienne, France	2,500
Herbert R. Wright, Consul at Puerto Cabello, Venezuela	2,000
James W. Johnson, Consul at Corinto, Nicaragua	3,000
Edmond A. Burrill, Vice and Deputy Consul and Clerk at St. Etienne, France	1,000
	<hr/> \$37,500

THE UNITED STATES ARMY.

*List of Afro-American Officers with Rank and Yearly Pay.
Number of Enlisted Men with Aggregate Annual Pay.*

Officers.	Yearly Pay.
Major John R. Lynch (retired)	\$2,700
Captain Charles Young	3,360
First Lieutenant Benjamin O. Davis	2,400
First Lieutenant John E. Green	2,400
Lieutenant Colonel Allen Allensworth (retired)	3,375
Major Wm. T. Anderson (retired)	2,700
Captain George W. Prioleau	3,120
First Lieutenant W. W. E. Gladden	2,200
First Lieutenant Oscar J. W. Scott	2,200
First Lieutenant Louis A. Carter	2,000
M. M. McCary, Army Paymaster's clerk	2,000
Total yearly pay of officers	<hr/> \$28,455
Enlisted men in the Ninth and Tenth Cavalry, and Twenty-fourth and Twenty-fifth Infantry, 4,416, and their yearly pay in the aggregate amounts to	1,133,766
Total for officers and men	<hr/> \$1,162,221

THE DEPARTMENT OF AGRICULTURE AIDS COLORED FARMERS.

The Department of Agriculture has in the city of Washington 164 colored employes with an aggregate compensation of \$89,816.95. Outside of Washington the department has 102 colored employes, with a total compensation of \$53,217.50. This is a total of 266 colored employes in the Department of Agriculture, with a total compensation of \$143,034.45.

In connection with the Farmers' Co-operative Demonstration Work in the South the Bureau of Plant Industry of the Department of Agriculture employs a number of colored agents, who are doing very successful and efficient work. There are now fifteen regular agents employed in connection with this work. These agents are carrying on regular farm demonstrations with farmers in the communities where they are employed, conducting demonstrations in the raising of cotton, corn and other crops, and generally fostering and encouraging better farming and better living on the part of the Afro-American farmers.

Closely identified with the work of the department is that conducted through the aid of funds secured from the General Education Board. Twenty-one agents are employed in this work. This work is practically an extension of the government work in localities where the government agents are not employed. All the agents paid from the General Education Board fund are appointed as collaborators of the Department of Agriculture.

OTHER DEPARTMENTS.

The Treasury Department has a larger number of Afro-American presidential appointees than any other department of the United States Government. Among those on the list are:

J. C. Napier, Register of the Treasury; R. W. Tyler, Auditor for the Navy Department; Charles A. Cottrill, Collector of Internal Revenue, Hawaii; Charles W. Anderson, Collector of Internal Revenue, New York City; Joseph E. Lee, Collector

of Internal Revenue, Jacksonville, Fla.; Whitefield McKinlay, Collector of Customs at Washington; General Robert Smalls, Collector of Customs, Beaufort, S. C., and others.

To President Taft must be given the credit for having appointed an Afro-American to the highest appointive office ever held by one of the race when he named William H. Lewis, of Massachusetts, as Assistant Attorney General. Mr. Lewis' commission is dated March 27, 1911.

THE FIGHT AGAINST PEONAGE BY THE TAFT ADMINISTRATION.

The Taft Administration has done much toward stamping out peonage in the South.

Peonage, the new system of slavery in the South, may be defined as a method of causing compulsory service to be rendered by one man to another, on the pretext of having him work out the amount of a debt, real or claimed; also the carrying or enticing of any person from one place to another in order that he may be held in involuntary servitude.

The Taft Administration, through the Department of Justice, has done much toward obliterating this practice so common in the South. Attorney General Wickersham in his annual report recommends that the United States statutes upon the subject of peonage and slavery be amended so as to render them more effective. The following is from the annual report of the Attorney General:

"The vigorous enforcement of the statutes against peonage conducted by the department in the last few years, it is believed, has done much toward stamping out that form of involuntary servitude in many districts, but in some of the Southern States this practice appears to be still quite extensively carried on. Prosecution under the peonage statutes have been instituted in nearly all the Southern States, and in a few States not in the South. Convictions, owing to local prejudice, are difficult to secure, but they have been obtained in a number of States. Even where convictions have not been secured, it is thought that the acts of cruelty and oppression, which frequently mark these peonage cases, disclosed in the course of their trial, have had the effect of turning the sentiment of the people against the methods which give rise to prosecutions for involuntary servitude.

"The chief support of peonage lies in the peculiar system of laws prevailing in some of the Southern States intended to compel personal service on the part of laborers. The usual practice, under these State laws, seems to be for the person who desires the services of a laborer to swear out a warrant against him for some alleged offense, have him taken before a justice of the peace, and bound over to the next term of court, the complainant becoming surety or procuring bail for him, and then taking him to his farm or plantation and compelling him to labor through the fear or threat of imprisonment. Another expedient, expressly authorized by the laws of some States is for the interested party to confess judgment on behalf of a laborer who has been accused of some offense, pay the same, and then have the laborer bound under a contract made under the supervision of the court to work out the indebtedness so contracted. The constitutionality of such laws is now in process of being tested by the department.

"At its last term the Supreme Court of the United States, in *Bailey vs. the State of Alabama* (219 U. S., 219), rendered a decision which goes far toward holding unconstitutional a statute designed, under the guise of punishing persons who obtained money under false pretenses, to enforce a condition of involuntary servitude, by declaring a provision thereof which made a breach of contract *prima facie* evidence of an intent to defraud, to be in violation of the thirteenth amendment.

"It is suggested that the statutes of the United States upon the subject of peonage and slavery should be amended so as to render them more effective for the protection of persons against slavery and involuntary servitude, except as a punishment for crime."

THE COMMISSION TO LIBERIA.

A Special Commission from the Republic of Liberia visited the United States in 1908 and represented to our Government that Liberia was in need of assistance in maintaining her independence and integrity as a Nation. They asked that the United States guarantee their territorial and political integrity, which course, as Secretary Root informed them, was impracticable on our part. The United States was then asked to loan to Liberia suitable and competent officers to aid them in the conduct of the administration of their country, and to confer with the representatives of other Governments having interests on the West Coast of Africa, and whose territory bordered on Liberia. Congress authorized the appointment of a commission and appropriated \$20,000 for the payment of the expenses thereof.

On April 24, 1909, the commission was appointed by President Taft to visit Liberia and investigate conditions in the little Republic, and sailed at once for Monrovia. As one of the results of the visit of the Liberian Commission, Reed Paige Clark was appointed General Receiver of Liberian Customs by the State Department, at the suggestion of President Taft. Mr. Clark arranged the details of a loan agreement which will supply Liberia with sufficient funds to place her finances on a sound basis. Captain Charles Young, Ninth Cavalry, was ordered to Monrovia, Liberia, to report to the American Minister at that capital for such service, under his supervision, as might be assigned by the War Department. Captain Young is the only Afro-American graduate of West Point in the United States Army. Several non-commissioned officers of the United States Army will also go to Liberia for the purpose of reorganizing the Constabulary.

DISFRANCHISEMENT OF COLORED CITIZENS.

The Republican Party wrote into the organic law the declaration which proclaims the civil and political rights of the Afro-American people. The Democratic Party has enacted in the Southern States which it controls, laws which, by means of various devices, are readily aimed at the disfranchisement of the race for reasons of color alone.

Three attempts have been made by the Democrats of Maryland to disfranchise the colored voters of that State. The Maryland Republicans have stood solidly against every attempt at disfranchisement, and in two of these fights which have occurred since Mr. Taft's election as President they have had his active support.

In December, 1908, just after Mr. Taft had been elected and before he had been inaugurated, in answer to a letter of the Hon. Wm. F. Stone, Collector of the Port of Baltimore, for the purpose of obtaining his views, the President made the following reply:

"My Dear Mr. Stone: I have your letter of December 9th, but have not been able to answer it until now. I don't think any one can read my North Carolina speech with any care and on that base the belief that I would favor such a bill as that proposed in Maryland. The provision that the first class of eligible voters shall be those persons who on the 1st day of January in the year 1869, or prior thereto, were entitled to vote under the laws of Maryland or any other State of the United States wherein they then resided, and that the male descendants of such persons, as a second class, shall be entitled to vote, was intended to exempt the persons thus made eligible from the educational or property qualifications which follow in the descriptions of the fifth and sixth classes of persons who shall be entitled to vote.

"The same thing may be said of the third and fourth classes, which includes foreign-born citizens of the United States naturalized between January 1, 1869, and the date of the adoption of the proposed section and the male descendants of such mentioned persons. This is in order to exempt such

immigrants and their descendants from educational or property qualifications.

"Now we know the first four classes include no Negroes at all. In other words, it is intended to free the whites from educational or property qualifications, but to subject all Negroes to them.

"The whole law ought to be condemned. It is not drawn in the spirit of justice and equality, having regard for the fourteenth and fifteenth amendments, and I sincerely hope that no Republican who desires equality of treatment to the black and white races will vote for it.

"Sincerely yours,

"WILLIAM H. TAFT."

THE ELECTION LAWS OF THE SOUTH.

The following are sections of some of the election laws of the South (certified to by the Secretaries of State, in each case), many of them enacted for the avowed purpose of depriving Afro-American citizens of the right to vote. It will be seen that the Louisiana and North Carolina laws are especially framed for the purpose of making the educational test apply only to the Afro-Americans, and that all persons who were voters prior to January 1, 1867, and their lineal descendants are exempt from the provisions of the law, which disqualifies persons because of illiteracy.

No body of Republican legislators has ever enacted a law intended to disfranchise any citizen on account of his race or color.

Democratic Governor Donaghey, of Arkansas, celebrated Independence Day this year by issuing a proclamation advocating the passage of a "grandfather clause" amendment to the Constitution of that State. In this remarkable statement Governor Donaghey acknowledges that 100,000 colored men in Arkansas have the legal right to vote, but in many instances have been prevented from exercising their rights by the process of intimidation.

GEORGIA.

"Par. 4. Every male citizen of this State shall be entitled to register as an elector and to vote at all elections of said State who is not disqualified under the provisions of Section 2 of Article II of this Constitution, and who possess the qualifications prescribed in Paragraphs 2 and 3 of this section, or who will possess them at the date of the election occurring next after his registration, and who in addition thereto comes within either of the classes provided for in the five following subdivisions of this paragraph:

"1. All persons who have honorably served in the land or naval forces of the United States in the Revolutionary War, or the War of 1812, or in the War with Mexico, or in any war with the Indians or in the War Between the States, or in the War with Spain, or who honorably served in the land or naval forces of the Confederate States, of the State of Georgia in the war between the States; or,

"2. All persons lawfully descended from those embraced in the sub-division next above; or,

"3. All persons who are of good character, and understand the duties and obligations of citizenship under a republican form of government; or,

"4. All persons who can correctly read in the English language any paragraph of the Constitution of the United States or of this State, and correctly write the same in the English language when read to him by any one of the registrars."

LOUISIANA.

"Sec. 3. He (the voter) shall be able to read and write, and shall demonstrate his ability to do so when he applies for registration, by making, under oath administered by the

registration officer or his deputy, written application therefor, in the English language or his mother tongue, which application shall contain the essential facts necessary to show that he is entitled to register and vote, and shall be entirely written, dated and signed by him, in the presence of the registration officer or his deputy, without assistance or suggestion from any person or memorandum whatever, "except the form of application hereinafter set forth.

"Sec. 5. No male person who was on January 1, 1867, or at any date prior thereto, entitled to vote under the Constitution or statutes of any State of the United States, wherein he then resided, and no son or grandson of any such person not less than twenty-one years of age at the date of the adoption of this Constitution, and no male person of foreign birth, who was naturalized prior to the first day of January, 1885, shall be denied the right to register and vote in this State by reason of his failure to possess the educational or property qualifications prescribed by this Constitution."

MISSISSIPPI.

"Sec. 244. On and after the first day of January, 1892, every elector shall, in addition to the foregoing qualifications, be able to read any section of the Constitution of this State; or he shall be able to understand the same when read to him, or to give a reasonable interpretation thereof."

NORTH CAROLINA.

"Art. VI., Sec. 4. Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language, and shall show to the satisfaction of the registrar his ability to read and write any such section when he applies for registration, and before he is registered: Provided, however, That no male person who was, on January first, one thousand eight hundred and sixty-seven, or any time prior thereto, entitled to vote under the laws of any State in the United States where he then resided, and no lineal descendant of such person, shall be denied the right to register and vote at any election in this State by reason of his failure to possess the educational qualification aforesaid."

RACE SEGREGATION IN SOUTHERN CITIES.

The Democrats in their efforts to antagonize the colored race have hit upon a new plan in recent years of restricting the residence of Afro-Americans to certain blocks or streets in cities.

The segregation ordinance, now in force in Baltimore, was introduced in the City Council by Samuel L. West, councilman from the Thirteenth Ward, passed in March, 1911, and approved by Mayor J. Barry Mahool, on April 7, 1911. It is called "An ordinance for preserving peace, preventing conflict and ill feeling between the white and colored races in Baltimore City, and promoting the general welfare of the city, by providing, so far as practicable, for the use of separate blocks by white and colored people for residences, churches and schools."

Councilman West, who is a Democrat, is very proud of his segregation work and has issued a pamphlet with his portrait on the cover, giving the text of the ordinance and the story of its enactment. He explains, in a recent newspaper article, that this was necessary, owing to the great interest in segregation which has been aroused in the Democratic South since the passage of his ordinance. "It has kept me busy sending and explaining copies of the ordinance," said Samuel L. West. "I have never known an instance in which there was greater interest in a city ordinance."

The ordinance had the support of the Democratic press and people. The Republicans opposed it. This is made clear in a note in the pamphlet, as follows:

"Note—All persons who voted for the ordinance are Democrats; all who voted against are Republicans."

PRESIDENT TAFT DENOUNCES LYNCHING.

President Taft is on record in many places and on many occasions as denouncing lynching in the strongest possible terms, and advocating punishment for that crime to the full extent of the law. At a meeting held April 9, 1912, in Metropolitan A. M. E. Church, Washington, D. C., for the purpose of raising funds for the building of a gymnasium at Howard University, President Taft condemned mob law in the following terms:

"Now take the matter of lynching. That, as well as the administration of our criminal law, forms a disgraceful page in our social history. I just think it is well to take a text on that subject. Now I know that our courts are not perfect. I know that they don't apply the law with certainty and dispatch in the criminal cases as they ought to, and I believe that part of this departure from law as is the case in lynching and disorder is due to the fact that courts are not certain and are not full of dispatch in the justice meted out in criminal cases. But we must not attribute it all to the courts. There is among our people a disposition to forget the sanctity of the law and not to know that no civilization in any country can live unless the law is respected. Now, lynching is claimed by some as being justified because, as they say, it is applied only to persons guilty of one special crime that is particularly heinous to all of us. But that is not true. Statistics show that lynching is applied to those charged with a great many crimes, and the moment you transgress once and the moment that the mob acquires the wolfish desire for human blood, the example is dreadful to the community in which the exhibition of lawlessness is given. And there is not any crime (I don't care what it is) that justifies a departure from the law or the summary punishment by a mob of the person who is charged with guilt. It is one of the serious questions that we have to face in this country. We have not among all of our people as profound a respect for the law and the necessity for obedience to it as we ought to have, and that is part of the reason why we have this exhibition of lawlessness over the country and these cruel murders (for that is what they are, for it is no less a murder when 400 participate in the killing of one man); ordinarily it is accompanied by a great deal more of cowardice by reason of the fact that 400 are engaged in such a crime. And the only way by which it can be suppressed is that some time we shall have men as sheriffs, men as governors, and as prosecutors and as jurors who will see to it that the men engaged in pulling the rope under those conditions shall themselves swing by the rope. Wherever it occurs it is to be condemned and rooted out, and this can only be done by developing an individual and public opinion demanding the enforcement of the law."

In an address to the A. M. E. Conference in convention September 15, 1908, Judge Taft, discussing the lynchings of colored people, said:

"For a length of time it seems to be altogether abated, and then there will be an outbreak, a mob will be formed, developing the most fiendish cruelty, manifesting itself in the blindest and most unreasonable assaults upon perfectly innocent people simply because of their color. It is only fair to say that such brutish exhibitions are not confined to any one section. It is impossible to read accounts of this sort without having one's blood boil with indignation that there can reside in the human breast such a savage and beastly impulse and motive."

"YOU STOOD LIKE A SOLID ROCK."

No feature of the National Convention which nominated Mr. Taft for a second presidential term was more gratifying than the vindication which the course of the colored delegates rendered against the assertions that they would be induced

to violate the pledges or instructions under which they had been sent as representatives of their respective communities. In a speech to a delegation, composed in part of delegates to the convention, which called upon him at the White House on July 18th, he said:

"I want to say to you how much I appreciate your standing firm in my behalf at a time when it was intimated to the country that we could not depend upon you. You demonstrated there your appreciation of the accomplishments of the Republican Party for your race in the past, and your abiding faith in its future friendship; you stood like a solid rock."

Discussing the general rights of the Afro-American, he said:

"The Republican Party ought to be maintained because of its useful past and its useful future. It has been the party for the maintenance of the equal rights of the Negro. It has not always succeeded in rounding out those rights in accordance with the letter of the Constitution, but it has accepted the responsibility, and every member of the party who is conscious of what it ought to stand for is ready to continue the fight for your constitutional rights."

Nothing strikes a deadlier blow at liberty than the insidious appeals made in her name in times of public excitement.—Postmaster-General Cortelyou on Lincoln's Influence on American Life.

Whenever called upon, the negro has never failed to make sacrifices for this, the only country he has, and the only flag he loves.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn, N. Y.

The greatness of our Nation, as shown in the struggle of the Civil War, is now everywhere recognized, and in the perspective of forty years there is none to deny or belittle it.—Hon. Wm. H. Taft, at Riverside Park, New York.

When we regard the history of the forty years through which the colored man of this country has been obliged to struggle, the progress which he has made, material and educational, is wonderful.—Hon. Wm. H. Taft, at Kansas City, Mo.

The leader of the Republican Party during the Civil War was Abraham Lincoln. In all the varieties of controversy which it has since had to deal, it has never lost the inspiration of his leadership.—Hon. Wm. H. Taft, at Kansas City, Mo.

What the negro and his friends demand is equality of enforcement of the law under the Constitution, and toward that end I feel convinced that all the influence of industrial progress in the South and the closer union between the sections necessarily are making.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

In the history of all the peoples of the earth there is no more uniform story of absolute fidelity to trust than that which was exhibited by the negroes of the South toward the families of their masters, when the men were gone to the war, and none but the women and children were left at home.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

In the ballot-box our liberties are compounded. See to it that it gives true expression to the public will. Preserve it from pollution; protect and defend it as you would the Ark of the Covenant, for it has been purchased by the priceless blood of countless heroes upon the battlefields of the Republic.—Hon. C. W. Fairbanks, at Baldwin, Kans., June 7, 1901.

Plans have been suggested for the migration of the negroes to some other country, where they would live by themselves and grow up by themselves, and have a society by themselves, and create a nation by themselves. Such a suggestion is chimerical. The negro has no desire to go, and the people of the South would seriously object to his going.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

The Democratic House is giving us some beautiful examples of its style of economy. It attempts to reduce the United States to fifth rank as a naval power by refusing money for new battleships; it attempts to reduce the army by cutting off five regiments of cavalry; it refuses funds for the Tariff Board; it pares down the appropriation for the Panama Canal; it grants no funds for improvement of National parks. But, with an eye to the votes of the 2500 pensioners in each Congressional district, it votes many millions for pensions. Democratic economy is very lop-sided.—Portland "Oregonian."

PENSION LEGISLATION OF THE REPUBLICAN PARTY.

During the present administration the work of the Pension Bureau has at all times been kept up to date. Claims are now taken up for consideration as soon as they reach the files of the Bureau and are adjudicated promptly when the evidence necessary to determine their merits is furnished. Many claims for increase under the act of February 6, 1907, granting certain rates when soldiers attain certain ages, are allowed within a few weeks after they are filed.

The importance of prompt action in these claims will be appreciated when it is noted that of the 2,213,365 persons who, it is estimated, served in the army and navy during the Civil War, only about 500,000 remain on the pension roll and that their average is 70 years. There were 35,243 names dropped from the roll during the last year by reason of death.

There has been a decrease of over \$300,000 in the expense of conducting the Pension Bureau during the last three years, the expenses the last year being the smallest since 1882. At one time there were over 2,000 employees in the Bureau; at the present time the number is less than 1,200.

The act of June 27, 1890, passed by a Republican Congress and signed by a Republican President, was the first disability pension law in the history of the world, granting to soldiers and sailors pensions for disability not proven to have been incurred in the service and line of duty. This was the most far-reaching pension legislation enacted after the close of the Civil War and recognized a higher obligation of the people to their disabled veterans than was ever before formulated into law. Previous to 1890 pensions for service in the Civil War were granted only to those who were wounded in the service or who had contracted some disability therein, and likewise pensions were granted only to widows, minor children, and dependent parents of those who died from injuries received or disabilities contracted in the service. The act of June 27, 1890, granted pensions to all persons who served ninety days or more during the Civil War and who were disabled from earning a support by manual labor from disabilities not due to vicious habits, without requiring the applicant to prove that the disability or disabilities were incurred in the service. The act also granted pensions to dependent widows of all such persons without requiring them to prove that their husbands died of wounds received or disabilities contracted in the service. The rate of pension under the act of June 27, 1890, was from \$6 to \$12 per month to the survivors of the Civil War in accordance with the degree of disability, and \$8 per month to all widows.

The most important pension legislation enacted since the passage of the act of June 27, 1890, was the act of February 6, 1907, also passed by a Republican Congress and signed by a Republican President, granting pensions to certain enlisted men, soldiers and officers, who served in the Civil War and the war with Mexico. Under this act any person who served 90 days or more in the military or naval service of the United States during the late Civil War or 60 days in the war with Mexico and who was honorably discharged is entitled to a pension of \$12 per month on reaching the age of 62 years, \$15 per month on reaching the age of 70 years, and \$20 per month on reaching the age of 75 years. While the rates to survivors under the act of June 27, 1890, were from \$6 to \$12 per month, the rates provided by the act of February 6, 1907, were from \$12 to \$20 per month.

Over 550,000 certificates were issued under this act between the date of its passage and the close of the last fiscal year. Less than 22,000 of these were original allowances, the others being allowances of additional or increased rates.

The legislation next in importance is the act of April 19, 1908, to increase the pensions of widows, minor children, etc., of deceased soldiers and sailors of the late Civil War, the war with Mexico, the various Indian wars, etc., and to grant a pension to certain widows of the deceased soldiers and sailors of the late Civil War. Under this act all widows, minors, and helpless children on the rolls at a less rate were increased to \$12 per month, and the widows of those who served 90 days during the Civil War and who received an honorable discharge therefrom are entitled to pension under this act, provided they were married prior to June 27, 1890, dependence not being considered. This act granted an increase of pension to some 200,000 widows and children of deceased soldiers and sailors of the Civil War and the war with Mexico and the various Indian wars. Pensioners were not required to file an application in the Bureau of Pensions to secure the increased rate provided by the act of April 19, 1908, as the Pension Agents were instructed to pay all pensioners on the roll affected by this act at the increased rate at the first quarterly payment occurring after the passage of said act. More than 60,000 pensioners received payment at the increased rate at the quarterly payment which occurred on May 4, 1908—only fifteen days after the passage of the act—and the entire number of pensioners entitled to the benefits of this act received payment at the increased rate within three months after the passage of the act. The applications for original pension received under the act of April 19, 1908, were given immediate attention, and in about thirty days after the approval of the act the Bureau was issuing more than 100 certificates per day thereunder to widows whose names were not previously on the pension rolls.

A very important pension law has been enacted by the present Congress, entitled "An act granting pensions to certain enlisted men, soldiers and officers who served in the Civil War and the war with Mexico," which was approved by the President May 11, 1912.

This act grants a pension, at rates varying from \$13 per month to \$30 per month—according to age and length of service—to all honorably discharged soldiers and sailors of the Civil War who served 90 days or more, and \$30 per month to all honorably discharged soldiers who served 60 days or more in the war with Mexico. All survivors of the Civil War who served two years or more are entitled to \$30 per month upon reaching the age of 75 years.

There are now some 350,000 survivors of the Civil War on the pension roll under the act of February 6, 1907, at rates carrying from \$2 to \$20 per month. Each of these survivors who is pensioned under the act of February 6, 1907, will be entitled to an increase under the act of May 11, 1912, the increased rate varying from \$1 per month to \$10 per month. It is estimated that some 420,000 survivors of the Civil War will receive an increase of pension under the new law. Nearly 400,000 claims were filed under this law within one month after the date of its approval; a large number of certificates have already been issued thereunder, and it is anticipated that the Bureau of Pensions will issue from 700 to 1,000 certificates per day under this act until all claims filed have been settled. They are being disposed of in the most expeditious manner possible, the claims being taken up according to date of receipt of application in the Bureau of Pensions. The increased disbursements on account of pensions due to this bill will, it is estimated, amount to \$12,500,000 during the first year and about \$35,000,000 during the second year.

This law is the most generous pension legislation ever enacted in behalf of the defenders of the country, and it is the first general pension legislation which has recognized length of service as a determining factor in the rate granted. It also provides

for an increase of pension with increasing age, when the soldier, owing to age and the disabilities and infirmities incident thereto, is less able to earn a support by his own labor.

The number of pensioners now on the roll is slightly in excess of 870,000, and the average amount paid out in pensions each month is about \$13,000,000.

The total amount paid for pensions during the last fiscal year was \$157,325,160.35, disbursed as follows:

On account of the regular establishment.	\$3,197,834 19
On account of Civil War	148,231,665 51
On account of war with Spain.....	3,951,251 25
On account of war of 1812.....	44,347 45
On account of war with Mexico	1,322,918 11
On account of Indian wars	575,086 52
On account of Treasury settlements	2,057 32

The average annual value of each pension for the last five years has been as follows:

	1911.	1910.	1909.	1908.	1907.
Average annual value of each pension	\$173.56	\$171.90	\$169.82	\$167.59	\$145.00
Regular establishment	173.63	173.26	181.77	173.76	173.12
General law, Civil War.....	228.58	224.44	219.96	215.80	204.20
Act of June 27, 1890.....	143.26	139.95	135.55	130.75	112.32
War with Spain.....	128.47	127.52	126.88	126.87	127.19
Act of February 6, 1907.....	173.47	170.91	169.40	167.70	170.00
Act of April 19, 1908.....	144.99	145.16	145.42	145.10	-----

The following statement shows the number of surviving soldiers and sailors of the civil war on the pension roll at the close of each of the last five fiscal years, and the amount of pension paid to such persons each of said years:

Year.	Survivors.	Disbursements.
1907.....	644,338	\$102,208,672.40
1908.....	620,985	110,458,177.00
1909.....	593,961	108,430,223.30
1910.....	562,615	106,333,750.50
1911.....	529,834	103,337,804.95
		Total.... 529,768,628.35

The cost of the pension system per capita of population is shown for certain years as follows:

Year.	Pensioners.	Total cost.	Population.	Cost per capita.
1893.....	966,012	\$161,774,372.36	66,349,000	\$2.44
1898.....	993,714	148,765,971 26	72,917,000	2.04
1903.....	996,545	141,752,870.50	80,847,000	1.75
1910.....	921,083	162,631,729.94	91,972,000	1.76

The following table shows the amounts paid for pensions on account of each of the wars and the regular establishment from the foundation of the Government to June 30, 1911:

War of the Revolution (estimate).....	\$70,000,000 00
War of 1812 (service pension).....	45,853,024 19
Indian wars (service pension).....	11,192,205 52
War with Mexico (service pension).....	45,279,686 83
Civil War	3,985,719,836 93
War with Spain and insurrection in the Philip- pines	34,142,976 37
Regular establishment	21,705,852 33
Unclassified	16,488,147 99

Total disbursements for pensions..... \$4,230,381,730 16

CONSERVATION OF NATURAL RESOURCES.

Steady Advance Under the Administration of President Taft.

Each succeeding year the Government is called upon to a greater extent than before to apply the results of the scientific investigation and study of the natural resources of the nation along the lines of practical economic development and rational conservation—that is, to secure the fullest possible utilization with the least possible waste. Uncle Sam is, for instance, the largest owner of coal lands, oil lands, phosphate lands, and water-power sites in the United States, holding the title to an area of such mineral lands aggregating more than ninety million acres. In 1906 the Government began the policy of withdrawing from public entry all lands underlain by coal, and since that time it has made a great many withdrawals, including not only coal but also the other resources mentioned. This action has been taken pending investigation of these resources by the United States Geological Survey, an investigation which in the case of coal lands is followed by their classification, appraisal and restoration to entry. Lands of the other classes remain withdrawn pending proposed legislation by Congress which shall provide for their proper development.

In April, 1909, was put into force the present comprehensive scheme of coal land classification under which each 40-acre tract of coal land is classified and valued according to the tonnage and quality of its coal and then restored to sale. The prices of coal land range all the way from the minimum of \$20 or \$10 an acre, according to whether the land is situated within or without the 15-mile limit from a railroad, for lands containing lignite, the lowest grade coal, to more than \$400 an acre for land underlain by thick beds of high-grade bituminous coal.

Three-quarters of a Billion Dollars in Coal.

In the last three years, from April, 1909, to June, 1912, the Geological Survey has classified and appraised as coal land 17,024,441 acres, with a total valuation of \$721,852,656. At the minimum price at which such lands were formerly sold this acreage would represent but \$275,673,800, the difference under the new plan thus approaching half a billion dollars of eventual additional income to the Government from its public lands as a result of adopting the policy of classification. Coal land withdrawals are still outstanding to the extent of 68,962,497 acres, and these lands are being classified by the Geological Survey as rapidly as possible, the rate approximating 10,000,000 acres a year. The work involved in the classification of these coal fields of the nation is enormous, and while there is some criticism of such conservation of a national resource, perhaps the best evidence of the soundness of the policy lies in the ready acceptance of the tonnage estimates and valuations by purchasers of coal land, the increasing amount of coal land thus purchased, and the fact that the Geological Survey is constantly receiving requests that certain coal tracts be classified. Although \$400 or even \$200 an acre may be asserted by speculators to be a prohibitive price, compared with the rate under the Government's former "give-away" policy, still when the present price is reduced to the tonnage rate of one cent, half a cent, or less per ton, it is seen to be very moderate. Some of the western coal beds run as high as 50,000 tons or more of recoverable coal to the acre. A single 40-acre tract, for example, in a Montana withdrawal recently made, contains over two and a half million tons of coal.

Protection of the Public Petroleum Deposits.

Another public land fuel resource in the proper development of which Uncle Sam is taking an active interest is petroleum. Seven or eight of the public land States contain extensive oil deposits, and in many localities the oil is associated with natural gas. Large areas of the western oil fields have been geologically examined, and withdrawals of oil-land initiated by the Survey now aggregate 4,774,182 acres in Arizona, California, Oregon, Wyoming, Utah, Colorado and Louisiana. These withdrawals have been made in anticipation of much needed legislation, the present gold placer law under which oil or gas land must be acquired being inadequate and resulting in fraud and waste. Competent authorities assert that the Government should retain a supply of petroleum for the American Navy, in which every new ship is now equipped with oil-burning boilers.

Great Phosphate Reserve Owned by Uncle Sam.

Another mineral resource of the public domain that is of great potential value is the rock phosphate of Idaho, Wyoming, Utah, Montana and Florida. In the discovery and classification of the lands containing it the Geological Survey has contributed notably to the welfare of the farming interests, for phosphate is a necessary plant food, being indeed equal to potash as a fertilizer. The world's supply of phosphate rock is very meager, but fortunately the largest known deposits have been recently discovered in the public land States. As a result of geologic examinations 3,301,151 acres of phosphate land now stand withdrawn awaiting legislation to safeguard them from speculation or monopolization.

The People Still Own Valuable Water Powers.

A study of the western rivers by Geological Survey engineers has developed the fact that many very great water powers are still owned by the Government. A large number of power site withdrawals have been made by the President on the recommendation of the Geological Survey since May, 1909, when the first of these recommendations was made. The power site withdrawals now outstanding aggregate 1,801,293 acres distributed along the important power streams of the western States. Reservoir withdrawals have also been made to the extent of 97,228 acres.

Public Water Reserves have also been made in Utah and Wyoming, embracing 86,122 acres.

What has been done for the tin-plate manufacturers in the United States can be done for American shipbuilders and American shipowners.—Hon. Wm. S. Greene, in Congress, April 28, 1904.

In no respect has the President shown a broader, saner, more enlightened statesmanship than in his management of the Republic's relations with other nations. While refusing to shut his eyes to the necessity of being prepared for war, Taft has worked systematically to promote permanent peace. His greatest feat in this connection was the negotiation of the arbitration treaties with Great Britain and France. Although he took every possible precaution to guard against sacrifice of the interests of this country, the Senate emasculated the treaties partly from partisan motives of the Democrats, partly from an unreasonable fear that the treaties might force our consent to arbitration of disputes in which we ought to fight rather than yield, and partly from a disposition to stifle for the last iota of the Senate's prerogatives. Yet there can be little doubt that public opinion approves those treaties just as they were submitted to the Senate. When Russian discrimination against certain classes of American citizens visiting that country provoked the House of Representatives to pass a resolution insulting to Russia and calling for the abrogation of the commercial treaty with that country, Taft averted a quarrel with Russia by abrogating the treaty before the Senate acted on the resolution. He upheld the dignity of this Nation and at the same time averted danger to peace.—Portland "Oregonian."

THE RECLAMATION SERVICE.

The Reclamation Act, which originated in a Republican Congress in 1902, is to-day generally recognized as one of the wisest laws ever enacted by Congress, and second only in importance to that other great Republican enactment—the Homestead Law.

Under the provisions of the law national irrigation has already become a most important factor in western development, and its economic value in providing a safety valve against the impending dangers of congestion of population in the older settled portions of the country can not be estimated. Conservative engineers believe that at least 25,000,000 acres of desert land can be converted by irrigation to small farms. This vast area, capable of supporting millions of people, may be brought to cultivation without entailing a loss of a single dollar to the national treasury, as the land reclaimed is assessed for the benefits received, the settlers returning to the United States the cost of reclamation.

The Reclamation Service, a separate Bureau of the Department of the Interior, has had charge of the engineering work from its inception, and notwithstanding the enormous area embraced in the arid States—two-fifths of the United States—has completed, or has under active construction, 28 projects. On most of these construction has progressed sufficiently to irrigate areas that are now producing crops. No better evidence of the wisdom of the law and the business-like and practical methods of its administration could be submitted than the fact that homes are actually being made in large numbers on the land reclaimed, and the cost of the work is being returned by the settlers.

A summation of the work of the Reclamation Service to January 1, 1912, shows that it has dug over 6,800 miles of canals. Placed end to end these canals would reach from New York to San Francisco and back again with several hundred miles to spare. Some of these canals carry the flow of whole rivers. The tunnels excavated are 66 in number, and have an aggregate length of more than 20 miles. Three of the highest dams in the world have been completed, and 24,235 canal structures and 2,193 bridges built. In connection with this work there have been excavated more than 80,000,000 cubic yards of rock and earth. The Service has built about 600 miles of wagon roads in desolate desert and mountain regions, has built and is operating 1,700 miles of telephone lines and 75 miles of levees. It has manufactured 340,000 barrels of cement and cut millions of feet of timber in the Government reserves.

This work is giving employment to more than 8,000 men.

The most important engineering work now under way is the Eagle dam in New Mexico and the Arrowrock dam in Idaho. In connection with the latter the Service has built and is operating a standard gauge railroad 21 miles long.

As a result of the work to date water is available for 1,025,000 acres of land. The gross value of the crops produced on the lands irrigated by the Government in 1911 was more than \$20,000,000. Approximately 15,000 families are now residing on farms which are being watered by Government canals, and not less than 25,000 people have been added to the population of the cities, towns and villages. As a result of the work it is estimated that land values have increased more than \$105,800,000.

THE BUREAU OF MINES.

One of the notable achievements of the administration of President Taft was the creation of a Bureau of Mines in the Department of the Interior. The legislation was the result of a general demand from capital and labor that something be done toward reducing the appalling loss of life in the coal mines. The bill was proposed by Republican members in both Houses of Congress, and was passed by the Republican majorities in the House and Senate. The Bureau was created July 1, 1910.

The statistics of the deaths in the coal mines since this work was inaugurated show the wisdom and the urgent necessity of this Republican legislation. In the year 1907, before the Federal Government acted, 3,200 men were killed in the coal mines, or 4.70 in every 1,000 men employed. This disgraceful record has never been equalled since. In 1908, 2,447 men were killed; in 1909, 2,637 men, and in 1910 the total deaths reached 2,838. The figures are not yet available for 1911, but an estimate shows about 2,500 men killed.

It will be seen from the statistics that the Bureau of Mines still has a tremendous problem on its hands, and that in order to further decrease the number of deaths it will be necessary in the future to have the same fostering care and that the adequate appropriations granted by a Republican Congress must be continued. With proper support, the indications are that the number of deaths will be materially reduced within the next few years.

In the short period of its existence, the Bureau of Mines has accomplished just enough to show some of the real causes of the terrible mine disasters with the wholesale slaughter of miners and some of the remedies. The Bureau has demonstrated to the operators that coal dust is a greater menace to the miner than gas, and has offered a number of remedies which are being applied in many mines throughout the country. The Bureau has succeeded in convincing many operators and miners that the explosives they were using were extremely dangerous, and has had substituted powders that give the miner a chance for his life. The Bureau is maintaining seven rescue cars and six sub-stations at which miners are being taught the use of modern rescue apparatus. The Federal rescuers have responded promptly to every big mine disaster, and have succeeded in saving more than forty lives and have stopped the destruction of brave volunteer rescuers which formerly added heavily to the death roll. In past years a rescuer has lost his life for every miner saved.

Fuel Investigations.

The fuel investigations of the Bureau of Mines have already resulted in economies involving millions of dollars to the people of the United States and a consequent conservation of the fuel resources of the nation. Charged with investigations looking toward greater efficiencies in the use of the fuels, the Bureau has shown the possibilities in burning coals in properly constructed furnaces, in the gas producer in connection with the gas engine and by other methods. It has also demonstrated the use of low-grade fuels which in the past were considered practically worthless. To cite one or two instances: An important result attained in fuel investigations is the establishment of the fact that the low-grade bituminous coals and lignites of the country, of which there are tens of millions of acres heretofore considered of but slight industrial value, can be con-

verted into gas and used in the gas engine with more than double the efficiency attainable under the steam boiler. In other words, the discovery has doubled the value of these coals. This applies also to millions of tons of inferior coal which in mining operations is annually left underground and permanently lost.

The investigations also show that some of the peats, found in great abundance in the New England, North Central and Atlantic States, but heretofore considered of little value, may be used to advantage as a source of power in the gas producer, either for local farm purposes or for large power plants, and also that it is practicable and economical to make briquets, a superior and smokeless fuel, out of the millions of tons of slack and coal dust now wasted annually.

All of these scientific-economic investigations, experiments and tests of the Government, fostered, encouraged and provided for by Republican legislation, should be continued and extended. Upon the economical development of our natural resources depends in very large measure the continuance of our national supremacy and the prosperity of our people, and these evidences of wise statesmanship and forehanded legislation show that the party of progress can be relied upon, in the future as in the past, to carry out such policies, which, while under the strict wording of the appropriation acts are for the uses of the Government, are in reality for the benefit of all the people of the country.

We cannot help labor by reducing the value of the money in which labor is paid.—Hon. Wm. McKinley to delegation of workmen, August 24, 1896.

The organization of capital into corporations with the position of advantage which this gives it in a dispute with single laborers over wages, makes it absolutely necessary for labor to unite and maintain itself.—Hon. Wm. H. Taft, at Cooper Union, New York City.

I am a protectionist because I can see very clearly that the political independence which every patriot would sacrifice his life to preserve to his country can only be safely assured when we are industrially independent, and I am glad, if it requires that lesser sacrifice, to forego a few pennies of my savings to do my part to secure that assurance.—Prof. R. H. Thurston, of Cornell University, in the "American Economist."

But the most gratifying feature of this picture of banking and financial conditions in our country is the fact that deposits in savings banks—those institutions for the safe-keeping of the earnings of workingmen and widows and orphans and children of the country—have increased from \$550,000,000 in 1870 to \$4,200,000,000, in 1908. What say you business men, of the future of a country whose workingmen and working women and children have four billion dollars laid aside for a "rainy day."—O. P. Austin.

Labor needs capital to secure the best production, while capital needs labor in producing anything. The share of each laborer in the joint product is affected not exactly, but in a general way, by the amount of capital in use as compared with the number of those who labor. The more capital in use the more work there is to do, and the more work there is to do the more laborers are needed. The greater the need for laborers the better their pay per man. Manifestly, it is in the direct interest of the laborer that capital shall increase faster than the number of those who work. Everything which legitimately tends to increase the accumulation of wealth and its use for production will give each laborer a larger share in the joint result of capital and labor.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The people have their diversities of capacity and character, their differences of aptitude and training, their varied occupations that absorb their time and thought, and they are presumed to have enough intelligence to choose men fit to exercise the various functions of public life and administer an organized system of government which shall fairly represent their will and conserve their interests. It is by their choice of delegates and representatives and of "servants," if you will, that they show their capacity for self-government, and not by undertaking to supervise and correct the work themselves. They do not pretend to be their own statesmen and judges any more than their own lawyers, their own physicians, their own architects and engineers, their own artists and their own managers of banking, transportation and industrial operations.—New York "Journal of Commerce" (Dem.).

WOODROW WILSON.

Woodrow Wilson, the nominee of the Democratic Party for the presidency of the United States, was born at Staunton, Va., on December 28, 1856. He was baptized under the full name of Thomas Woodrow Wilson, but he dropped the first name after entering university life. His father, the Rev. Joseph Ruggles Wilson, removed from Virginia to Georgia when Woodrow was about two years of age, and later preached in various churches in North and South Carolina.

Of the early life of young Woodrow, the Philadelphia "Record" (Democratic), of July 3, 1912, says: "Mr. Wilson cannot, like many an office-seeker, appeal to the sentimentality of the public on account of a self-made man's rise from poverty. His father and grandfather were educated men, prominent in their communities, and while not rich, were able to give the aspiring young scholar a liberal education." . . . "Young Wilson," according to the same authority, "entered Davidson's College at the age of 17. After two years he entered Princeton, from which he graduated in 1879. He then studied law in the University of Virginia, receiving the degree of bachelor of law in 1882. He received the degree of bachelor of philosophy from Johns Hopkins University in 1886; that of doctor of laws from Lake Forest University, North Carolina in 1887, and that of doctor of literature from Yale University at its bi-centennial celebration.

"He occupied the position of adjunct professor in history in Bryn Mawr College, and was afterwards professor of history and political economy at the Wesleyan University. In 1890 he became professor of jurisprudence and political economy at Princeton University. He also gave a course of lectures in Johns Hopkins University for some years. Professor Wilson became the thirteenth in the roll of presidents at Princeton University in 1902, and the first layman to hold this office, all his predecessors having been Presbyterian clergymen. He is, however, a ruling elder in the Second Presbyterian Church at Princeton.

"Mr. Wilson," according to the same authority, "had, in his early years, an ambition to enter political life," for the sketch of his career which it publishes, says: "It was not toward scholarship that his ambition led him. While in college he resolved to become a public man. To that end he studied law and hung out his shingle, but his legal practice" (which, according to 'Who's Who in America,' occurred in Atlanta, Ga.) "was not lucrative, and after eighteen months of which he gave it up, and with it for years to come, his desire for office."

He was, however, after his long service in the universities above referred to, nominated in 1910 as the Democratic candidate for the governorship of New Jersey, and elected; and after a stormy two years in support of reform legislation of a varied character, including nomination of candidates at primaries, instruction of the electorate through a preferential vote of members of the Legislature as to their choice for the United States Senate and other measures of this character, he entered upon his candidacy for the Democratic presidential nomination.

The early part of the summer of 1911 was spent by him in a tour of the West. "It was then" (says the Philadelphia "Ledger," of July 3, 1912) "that he came out more clearly than ever as a progressive. He declared in favor of the initiative, the referendum and recall except for judges, and in an address before the Kentucky Bar Association took severely to task corporation lawyers, 'who permitted themselves,' he de-

clared, "to become the mere servants of the trusts, with the results that it had become more and more difficult to get for the bench judges who would sympathize with the needs of the common people."

The publications in which Professor Wilson has recorded his views and expressions of opinion are, according to "Who's Who in America," as follows: "Congressional Government—a Study in American Politics," 1885; "The State—Elements of Historical and Practical Politics," 1889; "Division and Reunion of 1829 to 1889," 1893; "An Old Master and Other Essays," 1893; "Mere Literature and Other Essays," 1896; "George Washington," 1896; "A History of the American People," 1902.

The belief that real sentiments of the average men are more likely to be expressed as a result of their thoughtful study than their expressions at a moment when they are seeking popular support at the polls has drawn attention to the expressions in the publications above noted, and these are discussed in the speech of the Hon. Henry A. Rodenberg, in the United States House of Representatives, printed in the Congressional Record of July 26, 1912, as follows:

"Mr. Chairman, when a great political party has nominated its candidate for the office of President of the United States it is only natural that the people should immediately manifest an intense interest, both in the personality of the nominee and in the principles for which he is known to stand. His habits of life, his opinions on social and economic questions, his theories of governmental policy become at once legitimate and interesting subjects of inquiry and investigation. . . . The people are more vitally interested in ascertaining the honest convictions of the candidate, formed in a time of sober and mature reflection, uninfluenced by ambition or hope of political preferment, than they are in any professions or promises contained in a platform which they know has been constructed to meet the exigencies of practical politics. Woodrow Wilson has been in public life for a short time, having served less than two years in the office of Governor of the State of New Jersey, that being the only political office that he has ever held, but he has had a long and honorable career as president of Princeton University, one of the great universities of this Nation, and he has had even a longer career as an author of note and distinction. He has been a most prolific writer, exploring every corner and nook of the field of history, sociology and political economy. In his voluminous writings and public addresses every subject in which the American people have ever shown the slightest interest, with the possible exception of the question of race suicide, has been treated by him in a manner which reflects great credit on his intellectual courage and independence, if not upon his political foresight and acumen. But I want to say in defense of the scholarly professor and man of letters that at the time he was expressing his honest views on these multitudinous subjects, his fine literary soul was unvexed and unannoyed by the alluring prospects of political preferments. The shadow of the White House had not fallen athwart his peaceful path. The presidential bee had not yet begun to buzz. In fact, it had not even been hatched.

"It is with this period in the professor's life that I purpose to deal to-day. For the benefit of such as do not have ready access to his numerous publications, I desire to call attention to some of the startling views expressed by Professor Wilson on men and measures, principally as they appear in his most important work, 'History of the American People.' This history was published in 1902, only ten years ago. At the time of publication Professor Wilson was forty-six years of age, and by reason of his erudition and scholarly attainments enjoyed then, as he does now, the titles of doctor of philosophy, doctor of literature and doctor of laws. It will be apparent, therefore, that the views expressed by him are not the hasty and ill-considered fulminations of a mere college graduate, but rather the sober and philosophic reflections of the matured student and thinker.

"Mr. Chairman, Thomas Jefferson is regarded as the founder of the Democratic Party, and by common consent is accepted as its patron saint. . . . To-day the mantle of the immortal Jefferson rests upon the narrow but classic shoulders of the Princeton professor. That mantle was placed there amid scenes of great excitement, on the second day of July, by the frenzied followers of the lamented Jefferson in convention assembled at Baltimore. The spirit of the author of the Declaration of Independence would certainly have protested, and protested vigorously, against this action of that convention. In righteous indignation he would have pointed to page 3, volume 4, of Woodrow Wilson's 'History of the American People,' in which appears this sentiment:

"The difference between Mr. Jefferson and General Jackson was not a difference of moral quality so much as a difference in social stock and breeding. Mr. Jefferson, an aristocrat, and yet a philosophical radical, deliberately practiced the arts of the politician and exhibited oftentimes the sort of insincerity which subtle natures yield to without loss of essential integrity."

"He would next have pointed to page 289 of Wilson's 'Life of George Washington,' in which Professor Wilson characterizes Thomas Jefferson as 'a philosophical radical rather than a statesman,' and says further: 'Washington found him a guide who needed watching.'"

"Mr. Chairman, if Woodrow Wilson is correct in saying that Thomas Jefferson was at heart an aristocrat while pretending to be of and for the common people, if he is correct in placing upon him the brand of insincerity, then Jefferson was easily the greatest demagogue, the most consummate hypocrite that has ever lived in the tide of the time. If Wilson is correct in saying that in the critical formative period of our Nation's life Jefferson was wanting in loyalty to Washington, in whose cabinet he served, and that he was 'a guide who needed watching,' then I insist that Jefferson was not a patriot but a dissembler and an intriguer. . . ."

"Mr. Chairman, I was under the impression that the spirit of 'knownothingism' that was once rampant in this country was long since dead. I was under the impression that that spirit had been crushed out of existence forever by the convincing power of the great truth which lies at the very foundation of our Republican form of government, that 'all men are created free and equal, and endowed by their Creator with certain inalienable rights.' I did not believe that the time would ever come when a great political party would nominate as its candidate for President a man in whom there seemed still to linger a trace of the intolerance, the prejudice and the narrow resentment that gave birth to the un-American, anti-foreign agitation of some fifty years ago."

"On page 212, volume 5, Woodrow Wilson's 'History of the American People,' I find this remarkable statement:

"Now there came multitudes of men of the lowest class from the south of Italy and men of the meaner sort out of Hungary and Poland, men out of the ranks where there was neither skill nor energy nor any initiative of quick intelligence; and they came in numbers which increased from year to year, as if the countries of the south of Europe were disburdening themselves of the more sordid and hapless elements of their population. The people of the Pacific Coast had clamored these many years against the admission of immigrants out of China, and in May, 1892, got at last what they wanted—a Federal statute which practically excluded from the United States all Chinese who had not already acquired the right of residence; and yet the Chinese were more to be desired, as workingmen if not as citizens, than most of the coarse crew that came crowding in every year at the eastern ports."

"Mr. Chairman, it has long been our proud boast that ours is the land of liberty and of opportunity. Here on the hospitable shores of the 'home of the free' the persecuted of the earth have always found a refuge and an asylum. Our welcome has gone out to all alike. We recognize neither class nor

caste, nationality nor religion. Every honest immigrant, no matter from what country he hails, whether from the north of Europe, the south of Europe, the east of Europe or the west of Europe, if able to meet the requirements of our liberal immigration laws, is invited to partake of our liberties and to join with us in working out the manifest destiny of the American Republic. It is this spirit that lies at the basis of our national greatness. . . . I would not discriminate against the Italian, the Hungarian or the Pole. I have not forgotten that Columbus was the son of an Italian laborer. I have not forgotten that among the great sculptors and artists who have given Italy her proud place in the world of arts are the sons of men who earned their bread in the sweat of their brows. Ah, genius knows no nationality, and is not the result of birth or location. Italy has her Garibaldi; Poland, her Kosciusko; Hungary, her Kossuth, and even the learned Princeton professor may profit by reading the inspiring story of their heroic lives.

"I must take issue with Professor Wilson. I believe that these people are superior in every way to the Chinese, and that it is an insult to the Caucasian race to say that they are not. Professor Wilson seems to be especially fond of the Chinese. Continuing the quotation, which I have just read on page 213, volume 5, of Woodrow Wilson's 'History of the American People,' the professor proceeds as follows:

"'They (meaning the Chinese) had, no doubt, many an unsavory habit, bred unwholesome squalor in the crowded quarters where they most abounded in the western seaports, and seemed separated by their very nature from the people among whom they had come to live, but it was their skill, their intelligence, their hardy power of labor, their knack at succeeding and driving duller rivals out, rather than their alien habits that made them feared and hated, and led to the exclusion at the prayer of the men they were likely to displace, should they multiply. The unlikely fellows that came in at the eastern ports were tolerated because they usurped no place but the very lowest in the scale of labor.'

"Mr. Chairman, the history of the Geary Act, which passed in 1892, and which resulted in the exclusion of the Chinese from the United States, tells us that the act was passed upon the unanimous and urgent request of American workingmen, who justly regarded the Chinaman as an alien incapable of assimilation and incapable of Americanization. I do not agree with Professor Wilson in the statement that the workingmen of this country were driven to make demand upon Congress for this legislation because of their 'fear of the superior skill and intelligence' of the Chinese.

"The Democratic Party, in the platform adopted at Baltimore, professes undying friendship for organized labor, and then, as an evidence of its sincerity, nominates as its candidate for President, Woodrow Wilson, who, on the thirteenth day of June, 1909, only three short years ago, in a baccalaureate address to a graduating class at Princeton, expressed the following remarkable views on this all-important subject:

"'You know what the usual standard of the employe is in our day. It is to give as little as he may for his wages. Labor is standardized by the trades unions, and this is the standard to which it is made to conform. No one is suffered to do more than the average workman can do; in some trades and handicrafts no one is suffered to do more than the least skillful of his fellows can do within the hours allotted to a day's labor, and no one may work out of hours at all or volunteer anything beyond the minimum. I need not point out how economically disastrous such a regulation of labor is. It is so unprofitable to the employer that in some trades it will presently not be worth while to attempt anything at all. He had better stop altogether than operate at an inevitable and invariable loss. The labor of America is rapidly becoming unprofitable under its present regulation by those who have determined to reduce it to a minimum. Our economic supremacy may be lost because the country grows more and more full of unprofitable servants.'

"I do not agree with Professor Wilson that members of the trades unions are unprofitable servants. I do not agree with him that the man who belongs to a labor organization is trying 'to give as little as possible for his wages.' I do not agree with him that the work of the least skillful member of a labor organization sets the standard which marks the amount of work that his fellow-craftsmen can perform. I do not believe that great organization, the American Federation of Labor, is trying to make American labor unprofitable by reducing it to a minimum.

"Mr. Chairman, on the twelfth day of December, 1911, ninety-eight Democratic members of the present House joined with one hundred and thirty Republicans and one Socialist and passed the Sherwood Service Pension Bill. Eighty-four Democrats and only eight Republicans are recorded in opposition to this bill. In the platform adopted at Baltimore I find this plank:

" 'We renew the declaration of our last platform relating to a generous pension policy.'

"Professor Wilson, the Democratic candidate for President, does not seem to be in harmony with this declaration. In a review of the administration of Grover Cleveland, whom he eulogizes to the point of idolatry, on page 180, volume 5, 'History of the American People,' Professor Wilson says:

" 'What most attracted the attention of the country, aside from his action in the matter of appointments to office, was the extraordinary number of his vetoes. Most of them were uttered against pension bills, great and small. Both Democratic House and Republican Senate were inclined to grant any man or class of men who had served in the Federal armies during the Civil War the right to be supported under the National Treasury, and Mr. Cleveland set himself resolutely to check their extravagance. He deemed it enough that those that had been actually disabled should receive pensions from the Government and regarded additional gifts for mere service, both an unjustifiable use of the public money and a gross abuse of charity.'

"In view of this remarkable statement I would like to inquire how many Republicans and Democrats in this House, who voted for the Sherwood Service Pension Bill or any other pension bill, did so on the theory that any man who had ever served in the Federal Army had an absolute 'right to be supported out of the National Treasury.' I would like to inquire of the Democrats who supported this bill if they agree with Professor Wilson that legislation of this kind is an 'unjustifiable use of the public money and a gross abuse of charity.'

"I have said that Professor Wilson was not the friend of William Jennings Bryan, and for a verification of that statement I refer to page 258, volume 5, Woodrow Wilson's 'History of the American People,' and this is what he says about the man who used to be your 'peerless' leader:

" 'Mr. Bryan, though he had been a member of Congress and had spoken in the House upon the coinage question, had made no place of leadership for himself hitherto, was unknown to the country at large and even to the great mass of his fellow-partisans, and had come to the convention with the delegation from Nebraska unheralded, unremarked. A single speech made from the platform of the convention had won him the nomination, a speech wrought not of argument, but of fire, and uttered in the full tones of a voice which rang clear and passionate in the authentic key of the assembly's own mood of vehemence and revolt. It was a thing for thoughtful men to note how a mere stroke of telling declamation might make an unknown, untested man the nominee of a great party for the highest office in the land, a popular assembly being the instrument of choice.'

"Mr. Wilson was not the friend of Mr. Bryan in 1896, and he was not his friend as late as April 29, 1907, when he wrote the following letter from Princeton:

" 'My Dear Mr. Joline—Thank you very much for sending me your address at Parsons, Kans., before the Board of Di-

rectors of the Missouri, Kansas and Texas Railway Company. I have read it with relish and entire agreement. Would that we could do something at once dignified and effective, to knock Mr. Bryan once for all into a cocked hat.'

"In the Parsons speech, Mr. Joline, the great trust and corporation lawyer, gives utterance to this sentiment:

"'But I venture to utter what is perhaps a feeble protest against the blind and foolish outcry against all railways. You and I know who are responsible for this socialistic, populist, anti-property crusade. It is the cry of the envious against the well-to-do—the old story. It is not new to this generation, only it is louder and more bitter than ever before in this country.'

"This is what Woodrow Wilson read 'with relish and entire agreement.' This was his honest opinion, as late as 1907, of Bryan and Bryanism. . . .

"Mr. Chairman, I shall not go much further into the record of this anti-Jefferson, anti-foreign, anti-labor, anti-soldier and pro-Chinese candidate for the presidency. I shall not speak of his remarkable reversal of opinion as to the efficacy of the initiative and referendum and the recall. Suffice it to say that a few years ago he denounced this doctrine as revolutionary and as destructive of constitutional government. Yet to-day he loudly proclaims it as the one panacea for all the ills that afflict the body politic. I shall not speak of his sneering references to the Farmers' Alliance and of his characterization of the Knights of Labor as being 'tinctured with the hideous doctrine of anarchy.' I believe that it was Job who said, 'Oh, that mine adversary had written a book.' I would say, 'Oh, that the voters of this country would read the books written by mine adversary.' For if the 'History of the American People,' that Woodrow Wilson wrote were made a campaign document and placed in the hands of every man who will exercise the sacred right of franchise on the fifth day of next November, he would be buried beneath an avalanche of votes."

PROFESSOR WILSON ON PENSIONS AND IMMIGRATION.

"The other leading questions of these years (1876-1889) were the granting of pensions and the regulation of immigration. Congress had hastened from one lavish vote to another in providing pensions for the soldiers who had fought in the Civil War, until at length generosity had passed into folly. President Cleveland, for the time, put a stop to the reckless process by a vigorous use of his veto power. Immigration had long since become a threat instead of a source of increased wealth and material strength, bringing, as it did, the pauperized and the discontented and disheartened of all lands, instead of the hopeful and sturdy classes of former days, and public opinion was becoming very restless about it. But Congress did little except act very harshly toward the immigrants from a single nation. By an act of 1888, the entrance into the country of Chinese was absolutely cut off."—From page 227 of "Division and Reunion, 1829-1889," by Woodrow Wilson.

Our country is growing better, not worse.—Hon. C. W. Fairbanks, at Baldwin, Kans., June 7, 1901.

Great constructive national policies are not established by simple declaration or mere legislation or in a single day or in a single year. They always change conditions in order to better them. They encounter inveterate abuses. They are opposed and evaded in practice. They require to be applied and enforced by a strong hand and a firm will. They require to be perfected by administration and supplemental legislation. Under Republican administrations there has been one unbroken, continuous course of consistent policy and effective performance in dealing with the evils which have been naturally incident to the amazing industrial changes of our generation, the vast creation of new wealth, the increase of our population, and the expansion of our commerce.—Senator Root, to Republican National Convention, 1912.

FOUR GREAT FACTS.

"Four great facts seem to justify the Republican Party in asking the voters of the United States to continue it in control of the affairs of the Government. First, the promptness with which it has fulfilled the pledges of its platform upon which it successfully appealed to the people in 1896; second, the prosperity which has come to all classes of our citizens with, and as a result of, the fulfillment of those pledges; third, the evidence which that prosperity furnishes of the fallacy of the principles offered by the opposing parties in 1896, and still supported by them; and, fourth, the advantages to our country, our commerce, and our people in the extension of area, commerce, and international influence which have unexpectedly come as an incident of the fulfillment of one of the important pledges of the platform of 1896, and with it the opportunity for benefiting the people of the territory affected."—*From the Republican Campaign Text-Book of 1900.*

The above quotation from the opening pages of the Republican Campaign Text-Book of 1900 applies with equal force to conditions in the present campaign. The four great facts which justified the party in asking the support of the public in 1900 were: First, that its pledges of 1896 had been redeemed; second, that prosperity had come as a result; third, that developments since 1896 had shown the fallacy of the principles upon which the Democracy then appealed for public support; and, fourth, the conditions which had come to other parts of the world and their people as a result of promises fulfilled by the Republican Party in the United States. These assertions made in the Text-Book of 1900 have been fully justified by the added experiences of another twelve years. The pledges of 1896 and those made in 1900, 1904 and 1908 have been redeemed. The protective tariff has been restored; the gold standard made permanent; Cuba freed, given independence, protected from internal troubles and again made a republic; the Panama Canal assured under the sole ownership and control of the United States; a Department of Commerce and Labor established; rural free delivery given to millions of the agricultural community; the laws for the proper regulation of trusts and great corporations strengthened and enforced; prosperity established; commerce developed; labor protected and given ample employment and reward. In the brief period since the Republican Party was, in 1896, restored to national control, the wealth of the country has doubled, the money in circulation more than doubled, the exports more than doubled, the value of farm property more than doubled, the value of farm products nearly trebled, the individual deposits in banks more than trebled and the exportation of manufactures quadrupled.

All of these great accomplishments have been the work of the Republican Party. In each of them it has met the discouragement, the opposition, and the hostilities of the Democracy. The protective tariff was fought at every step, and denounced by the platform of the Democrats as a "robbery." The act establishing the gold standard was opposed and the Democratic vote cast almost solidly against it, and that party in its conventions and platforms of 1904 and 1908 deliberately refused to retract its advocacy of the free and unlimited coinage of silver. In the war for the freedom of Cuba, the work of the Republicans was met with harsh criticism. In the efforts to establish peace and good government in the newly acquired territory, each step met with opposition and false charges. The acquirement of the right to construct the Panama Canal was met with opposition and obstruction. The enforcement of law against trusts and other great corporations was denounced as ineffective and designed to deceive the public. The establishment of rural free delivery was discouraged. The splendid prosperity which followed the restoration of the protective tariff was decried and denounced as fictitious and temporary, and an attempt made to sow the seeds of dissatisfaction and discord among the people by complaints of the higher cost of food which came as the natural results of the increased demand accompanying general prosperity, high wages, and increased currency based upon the gold standard.

It is upon the evidence of the past sixteen years, evidence that the Republican Party is a party of progress, and the Democracy a party of inaction, retardment, and fault-finding, that the Republican Party again confidently appeals for public support in the Presidential and Congressional elections of 1912.

SPEECH OF HON. ELIHU ROOT AS TEMPORARY CHAIRMAN OF THE REPUBLICAN NATIONAL CONVENTION IN CHICAGO, JUNE 18, 1912.

GENTLEMEN OF THE CONVENTION :

Believe that I appreciate this expression of confidence. I wish I were more competent for the service you require of me.

The struggle for leadership in the Republican Party which has so long engrossed the attention and excited the feelings of its members is about to be determined by the selection of a candidate. The varying claims of opinion for recognition in the political creed of the party are about to be settled by the adoption of a platform.

The supreme council of the party in this great National Convention, representing every State and Territory in due proportion, according to rules long since established, is about to appeal to the American people for a continuance of the power of government which the party has exercised with but brief interruptions for more than half a century, and that appeal is to be based upon the soundness of the principles approved, and the qualities of the candidates selected by the convention.

In the performance of this duty by the convention, and in the acceptance of its conclusions by Republicans, is to be applied the ever-recurring test of a party's fitness to govern, its coherence and its formative and controlling power of organization. And these depend upon the willingness of the members of the party to subordinate their varying individual opinions and postpone the matters of difference between them in order that they may act in unison upon the great questions wherein they agree; upon their willingness and capacity to thrust aside the disappointment which some of them must always feel in failing to secure success for the candidate of their preference; upon the loyalty of party members to the party itself, to the great organization whose agency in government they believe to be for the best interests of the Nation, and for whose continuance in power their love of country constrains them to labor.

Without these things there can be no party worthy of the name. Without them party association is a rope of sand, party organization is an ineffective form, party responsibility disappears, and with it disappears the right to public confidence.

Without organized parties, having these qualities of coherence and loyalty, free popular government becomes a confused and continual conflict between a vast multitude of individual opinions, individual interests, individual attractions and repulsions, from which effective government can emerge only by answering to the universal law of necessary organization and again forming parties.

Throughout our party's history in each presidential election we have gone to the American people with the confident and just assertion that the Republican Party is not a mere fortuitous collection of individuals, but is a coherent and living force as an organization. It is effective, responsible, worthy of confidence, competent to govern. The traditions of its great struggles for liberty, for the supremacy of law, for the preservation of constitutional government, for national honor, exercise a controlling influence upon its conduct. The lofty purpose of its great originators has been transmitted by spiritual succession from generation to generation of party leaders, and it is no idle rhetoric when we say, as we have so often said and are about to say again to the American people:

"We are entitled to your belief in the sincerity of the principles we profess and the loyalty of our candidates to those principles, because we are the party of Lincoln, and Sumner, and Seward, and Andrew, and Morton, and Grant, and Hayes, and Garfield, and Arthur, and Harrison, and Blaine, and Hoar, and McKinley."

We claim that we are entitled to a popular vote of confidence at the coming election because we have demonstrated that we are the party of affirmative, constructive policies for the betterment and progress of our country in all the fields upon which the activity and influence of government can rightly enter. We claim it because we have shown ourselves a party of honest, efficient, and economical administration in which public moneys are faithfully applied, appointments are made on grounds of merit, efficient service is rigorously exacted, graft is reduced to a minimum, derelictions from official duty are sternly punished, and a high standard of official morality is maintained. We claim it because we have maintained and promoted peace with the world, and the dignity, honor, and just interests of the United States among the nations. We claim it because our party stands now, as it has ever stood, for order and liberty and for the maintenance of the constitutional system of government through which a self-controlled democracy for more than a century has established against all detractors the competency of the American people to govern themselves in law-abiding prosperity.

We challenge the judgment of the American people on the policies of McKinley and Roosevelt and Taft.

President Taft, in his speech of acceptance on the 28th of July, 1908, paid a just tribute to the great service rendered by his predecessor in awakening the public conscience, inaugurating reforms, and saving the country from the dangers of a plutocratic government. He instanced the Railroad-rate Law, the prevention of railroad rebates and discriminations, the enforcement of the Anti-trust Law, the Pure-food Law, the Meat-inspection Law, the general supervision and control of transportation companies, the conservation of natural resources, and he proceeded to say:

"The chief function of the next Administration, in my judgment, is distinct from and a progressive development of that which has been performed by President Roosevelt. The chief function of the next Administration is to complete and perfect the machinery by which these standards may be maintained, by which the lawbreakers may be promptly restrained and punished, but which shall operate with sufficient accuracy and dispatch to interfere with legitimate business as little as possible."

There spoke the voice of two Republican Administrations, and the promise of that declaration has been faithfully observed with painstaking and assiduous care. The Republican Administration which is now drawing to a close has engaged in completing and perfecting the machinery, in applying the standards and working out the practical results of established Republican policies, including also the McKinley policies of a protective tariff and sound finance. Service of this kind is not spectacular. It receives little public attention and little credit until the public mind is turned to a careful study of the subject, but it is of the highest importance. Great constructive national policies are not established by simple declaration or mere legislation or in a single day or in a single year. They always change conditions in order to better them. They encounter inveterate abuses. They are opposed and evaded in practice. They require to be applied and enforced by a strong hand and a firm will. They require to be perfected by administration and supplemental legislation. Under Republican Administrations there has been one unbroken, continuous course of consistent policy and effective performance in dealing with the evils which have been naturally incident to the amazing industrial changes of our generation, the vast creation of new wealth, the increase of our population and the expansion of our commerce. It rests with the American electorate to say whether they will permit those minor dissatisfactions which are inseparable from all human performance and the desire for change by which all men are sometimes affected, to

obscure in their judgments the wisdom of continuing the execution of these policies and the evil of chartering another and untried party for a new departure in governmental experiment.

The Republican party stands now, as McKinley stood, for a protective tariff, while the Democratic party stands against the principle of protection and for a tariff for revenue only. We stand not for the abuses of the tariff, but for the beneficent uses. No tariff can be devised so moderate, so reasonable, that it will not be rejected by the Democratic Party, provided its duties be adjusted with reference to labor cost, so as to protect American products against being driven out of the market by foreign underselling, made possible through the lower rate of wages in other countries. The American foreign merchant service has been driven off the face of the waters because with American sailors' wages and the American standard of living it could not compete with foreign shipping. The Democratic Party proposes to put American mills and factories and mines in the same position, and the American people have now to say whether they wish that to be done. I have said that we do not stand for the abuses of the tariff. The chief cause of abuse has been that we have outgrown our old method of tariff-making. Our productive industries have become too vast and complicated, our commercial relations too extensive, for any committee of Congress of itself to get at the facts to which the principle of protection may be properly applied. The Republican Party proposes to remedy this defective method through having the facts ascertained by an impartial commission through thorough, scientific investigation, so that the President and Congress shall have the basis for the just application of the principle of protection. The Republican Congress included in the Payne-Aldrich Bill a clause under which the President had authority to appoint such a board to make such investigations and report the results to him. The President appointed the board. Its members are drawn from both political parties. Their competency, integrity, and fairness are unquestioned. They have reported upon the Woolen schedule; they have reported upon the Cotton schedule. The President has transmitted their findings to Congress. The Democratic House of Representatives ignores and repudiates them. In January, 1911, the last Republican House of Representatives passed a bill to create a tariff commission with much broader and more effective powers for compelling the attendance of witnesses and securing information, charged to report its findings to the Congress. The bill passed the Senate with some amendment, but it was delayed there by an avowed Democratic filibuster until it reached the House so late in the session that a vote upon it was prevented by another Democratic filibuster in the House. Now the House is Democratic and the Tariff Commission bill is dead. The Democratic Party does not want the facts upon which a just protective measure can be framed, because they mean that there shall be no protection for American industries. In the last session and in the present session of Congress the Democratic House has framed and passed a series of tariff bills for revenue only, with complete indifference to the absolute destruction that their enactment would bring upon great American industries. Some of them have fallen by the wayside in the Senate and some of them have gone to the President to meet his wise and courageous veto. The American people have now to pass, not upon the abuses of the tariff, but upon the fundamental question between the two systems of tariff-making.

The national currency, which the election of McKinley rescued from disaster at the hands of a Free Silver Democracy, still rests upon the Civil War basis of government bonds, and is no longer adapted to our changed conditions. It is unequal; its volume does not expand and contract according to legitimate demands of business. It subjects us to constant danger of panics which begin in speculation and end in paralyzing business. It facilitates and promotes the arbitrary control of a small group of banks and bankers with enormous capital, and tends to an undue concentration of the money of the country in a few great money centers. Any possible remedy involves the study of world-wide finance, because we are no longer isolated, and money flows from city to city and country to country,

in accordance with the laws of demand and supply and the attraction of interest rates. No Congress could, by its ordinary methods, get beyond the surface of the vast and complicated problem, yet the working out of a new system adapted to American conditions is of vital importance to the prosperity of the country and the security of every business and of every man whose support is directly or indirectly dependent upon American business. For the solution of this question the policy of the Republican Party established a Monetary Commission, which has made a most thorough and exhaustive study of the financial systems of all civilized nations, of their relations to our own system, and the needs of American business. The commission has reported a bill for the establishment of a new system of reserve associations under which the currency will be elastic, the business of the country will find ready sale for its commercial paper, the people of the country at large will exercise control instead of a little group of large bankers, and the danger of panics will disappear. The President has recommended the conclusions of the commission to the Congress, where the proposed bill is under consideration. It is for the interest of every business man in the United States that the party controlling the Government shall not be changed until this policy has been carried into execution.

In order that the burdens of government support may in time of need be more justly proportioned to the means of our citizens, the last Republican Congress submitted to the legislatures of the States an Income Tax Amendment of the Constitution, and at the same time, upon the recommendation of the President, enacted a law—which has been sustained by the Supreme Court—imposing a tax upon corporations, measured by their income, so that this vast fund of invested capital may bear its fair share of the public burdens. At the rate of only 1 per cent. upon corporate income, the receipts from this source during the past year amounted to over thirty million dollars.

Upon the recommendation of the President, the powers of the Interstate Commerce Commission have been greatly enlarged and their control over railroad rates and railroad service made more effective. Railroad rebates have been vigorously prosecuted and the imposition of large fines has substantially ended the practice. Upon prosecutions of railroad discriminations and fraudulent importations at the Custom House, under the vigorous treatment of the Treasury Department and the Department of Justice, the fines and recoveries of the past three years have amounted to over nine million dollars.

The prosecution of trusts and combinations in violation of the Sherman Act has proceeded with extraordinary vigor and success. The Standard Oil Company has been dissolved by a suit begun under Roosevelt and brought to a successful conclusion under Taft through a judgment in exact accordance with the prayer of the complainant. The Tobacco Company has been dissolved and its property scattered among fourteen different companies, with stringent injunctions against common control, which, in the unanimous opinion of the four judges of the Circuit Court of Appeals, were fully adequate to accomplish the relief demanded. The beef packers, the wholesale grocers, the lumber dealers, the wire makers, the windowglass pool, the electric lamp combination, the bathtub trust, the shoe machinery trust, the foreign steamship pool, the Sugar Company, the Steel Corporation, the Harvester Company—all have been made to feel the heavy hand of the law, through suits or indictments against restraints and monopolies.

Throughout that wide field in which the conditions of modern industrial life require that government shall intervene in the name of social justice for the protection of the wage-earner, the Republican National Administrations, in succession, have done their full, enlightened, and progressive duty to the limit of the national power under the Constitution. The Act of March 4, 1907, to regulate the hours of service of railroad employes, passed under the Roosevelt Administration, has been sustained in the Supreme Court under the Taft Administration, and has been enforced by more than fifteen hundred prosecutions during the past three years. A valid and effective Employers' Liability Act,

applying to all interstate commerce, was passed by a Republican Congress on the 5th of April, 1910, and under the Republican Administration its constitutionality has been sustained in the Supreme Court. Upon the President's recommendation, a joint commission was created by Congress to study the subject of workmen's compensation for injuries. It was composed of members of both Houses, with a representative of the railroads and a representative of labor, and after exhaustive examination and hearings, the commission framed a bill which was approved by all the great railroad labor organizations and which was passed by a Republican Senate at the present session against the opposition of a majority of the Democratic Senators. That bill still slumbers in the Democratic Judiciary Committee of the House. The Safety Appliance Act has been strengthened by increased powers in the Interstate Commerce Commission and has been enforced by nearly a thousand prosecutions during the past three years. The joint representative of the great orders of Railway Conductors, Railway Trainmen, Locomotive Engineers, and Locomotive Firemen and Enginemen, says in his report on National Legislation for 1911, regarding that department of the present National Administration especially concerned in the enforcement of these laws:

"Justice to one who has been faithful to his trust demands from every representative of the railroad men of the United States some recognition of the splendid work of the Attorney-General in the enforcement of all the acts of Congress relating to the safety of railroad employes, and limiting their hours of service. It has been work faithfully and successfully performed. Both in the defense of our rights in the courts and in assistance rendered us in the preparation of proposed legislation, his work has been of a high order of ability and has been tendered in a spirit of fidelity to the basic principles of fair play to all men."

The newly created Bureau of Mines and the newly authorized Children's Bureau mark the limit to which the National Government can go toward improving the conditions of intrastate labor without usurping the powers of the States. The Pure Food Law has been enforced with vigor and effectiveness. There have been over five hundred prosecutions for violations of that law within the past year and more than a thousand cases within the past three years. More than five hundred shipments of adulterated and misbranded foods and drugs have been condemned and forfeited, and enormous quantities of injurious food material have been destroyed.

The conservation of natural resources has been in the hands of its friends. The process of examining and separating the timber and the agricultural land in the great forest reserves, established at the close of the last Administration, has proceeded under the present Administration in accordance with the original plan. The study of the water resources of the country and the recording of the flow of streams have gone on under the Geological Survey. Classification and appraisal of coal lands and their restoration to entry at discriminating prices, based upon the classification, has been extended to over sixteen million acres of a total valuation of over seven hundred and twelve million dollars. The enormous petroleum deposits and phosphate deposits and water-power sites belonging to the Government have been examined and classified, and the data prepared for the needed legislation to regulate their disposition. Construction under the arid land reclamation projects has been pressed forward, and over fifty thousand people are now living upon the reclaimed land.

Great reforms have been made in the economy of the public service. A commission appointed by the President has been examining all the departments of government operating under the antiquated statutes passed generations ago, with a view to applying in them the labor-saving and money-saving methods which have made the success of the great business establishments of our country. In the Treasury Department alone, where the reforms first received their effect and can best be measured, over eighteen hundred places have been abolished, and this with increased efficiency of service, and without discharging any one, but simply by not filling vacancies as they occurred. The savings effected in the administration of this one department amount approxi-

mately to \$2,631,000 per annum. The same policy in the Post Office Department has made that department self-supporting for the first time in thirty years, and has changed a deficit of \$17,-479,770.47 in 1909, caused especially by the increased cost of rural free delivery, to a surplus of \$219,118.12 in 1911. In the meantime the great Republican policy of rural free delivery has been advanced so that the rural free delivery routes now number 42,199, covering a mileage of 1,210,447 miles. In the meantime also the new Republican policy of the postal savings system has been successfully inaugurated under the Act of June 25, 1910, beginning experimentally with a few offices, and now, after eleven months of operation extending to 7500 Presidential post offices and \$11,000,000 of deposits. The Army has been made more efficient. The great process of training not only the regular army, but the militia, by means of officers of instruction and joint operations, has been pressed forward to the end that if war unfortunately comes upon us we shall have, for the first time in our history, a great body of trained American citizens competent to act as officers of the volunteer force upon which we must so largely depend for our military defense. The test of mobilization of the regular army in Texas, during the summer of 1911, with its rapidity of movement and freedom from disease, has exhibited a record of competency and ability most reassuring and satisfactory.

The Navy has improved its organization and decreased its expenses, has increased its preparedness and military efficiency, has improved its marksmanship and skill in seamanship and evolution, and has reorganized and reduced the cost of the system of construction, repair and supply.

The execution of the regular and established program of adding two battleships to the fleet annually to take the place of the old ships which from year to year grow obsolete, and to maintain the position of our Navy among those of the great powers, has met with a reverse in the refusal of the Democratic House of Representatives to appropriate any money for the construction of battleships, and the question now stands between the Republican Senate and the Democratic House as to whether our Navy shall be maintained or shall be permitted to fall back to a level with the weaker and unconsidered countries of the world. What is the will of the American people on that question?

The construction of the Panama Canal has been pressed forward with renewed evidences under the concentrated observation of all the civilized world, that America possesses constructive genius, organizing power and habits of honest administration equal to the greatest undertakings. It is manifest now that the work will be done in advance of the time fixed and within the cost estimated, and that during the coming year it will be substantially completed. Will not the American people consider whether they have no grateful appreciation of the honor brought to us all by the great thing that has been done on the Isthmus? When the wonderful procession of ships takes its way for the first time through the canal between the waters of the Atlantic and the Pacific, will the people of America wish that the honors of that greater than a Roman triumph be given, not to the men who executed the great design, but to the men who opposed and scoffed and hindered and sought to frustrate the enterprise, until, in spite of them, its success was assured?

In our foreign relations controversies of almost a hundred years over the Northeastern fisheries have been settled by arbitration at The Hague. The attempt to preserve the fur-seal life of the Alaskan islands, in which we were defeated twenty years ago in the Behring Sea arbitration, has been brought to success by diplomacy in the Fur-Seal treaty with Great Britain, Japan, and Russia. The delicate questions arising from the termination of our treaty regulating trade and travel with Japan have been disposed of by a new treaty satisfactory to both nations and to the people of both coasts of our own nation. Our tariff relations with all the world under the Maximum and Minimum clause of the Payne-Aldrich Bill have been readjusted. The Departments of State and Commerce and Labor have promoted the extension of American commerce so that our foreign exports have grown from \$1,491,744,641, in 1905, to \$2,013,549,025, in 1911, and the

balance of trade in our favor for 1911 was \$522,094,094. American rights have been asserted and maintained and peace with all the world has been preserved and strengthened.

With this record of consistent policy and faithful service the Republican Party can rest with confidence on its title to command the approval of the American people. We have a right to say that we can be trusted to preserve and maintain the American system of free representative government handed down to us by our fathers. At our hands it will be no empty form when the officers of the National Government subscribe the solemn oath required of them by law, "That I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same." We shall not apologize for American institutions. We cherish with gratitude and reverence the memory of the great men who devised the American constitutional system—their unselfish patriotism, their love of liberty and justice, their lofty conception of human rights, their deep insight into the strength and weakness of human nature, their wise avoidance of the dangers which had wrecked all preceding attempts at popular government, their breadth of view, which adapted the system they devised to the progress and development of a great people. We will be loyal to the principles they declared and to the spirit of liberty and progress, of justice and security, which they breathed into that immortal instrument.

No government which must be administered by weak and fallible men can be perfect, but we may justly claim for our Government under the Constitution that for a century and a quarter it has worked out the best results for individual liberty and progress in civilization yet achieved by governmental institutions. Under the peace and security which it afforded, not only has our country become vastly rich, but there has been a diffusion of wealth which should inspire cheerful confidence in the future. Witness the 9,597,185 separate savings bank accounts, with \$4,212,583,598 deposits in the year 1911. Witness the 6,361,502 farms and the value of farms and farm property of \$40,991,449,090 in the year 1910, a value more than doubled between 1900 and 1910. Witness the stream of immigrants pouring in from all countries of the earth to share the happier lot of labor in our fortunate land—9,673,973 of them since 1901. Nowhere on earth is there such unfettered scope for the independence of individual manhood; nowhere greater security and competency for the family home; nowhere more universal advantages of education for rich and poor alike; nowhere such universal response to all demands of charity and noble plans for relieving the distress and improving the condition of mankind; nowhere a more ready quickening of public spirit under the influence of high ideals; nowhere the true ends of government more fully secured, than in the life of America to-day under the government of the Constitution.

We will maintain the power and honor of the Nation, but we will observe those limitations which the Constitution sets up for the preservation of local self-government. This country is so large, and the conditions of life are so varied, that it would be intolerable to have the local and domestic affairs of our home communities, which involve no national rights, controlled by majorities made up in other States thousands of miles away or by the officials of a central government.

We will perform the duties and exercise the authority of the offices with which we may be invested, but we will observe and require all officials to observe those constitutional limitations which prescribe the boundaries of official power. However wise, however able, however patriotic a Congress or an Executive may be, however convinced they may be that the doing of a particular thing would be beneficial to the public—if that thing is done by usurping the powers confided to another department or another officer, it but opens the door for the destruction of liberty. The door opened for the patriotic and well meaning to exercise power not conferred upon them by law is the door opened also to the self-seeking and ambitious. There can be no free government in which official power is not limited, and the limitations upon official power can be preserved only by rigorously insisting upon their observance.

We will make and vigorously enforce laws for the promotion of public interests and the attainment of public ends, but we will observe those great rules of right conduct which our fathers embodied in the limitations of the Constitution. We will hold sacred the declarations and prohibitions of the Bill of Rights, which protect the life and liberty and property of the citizen against the power of government. We will keep the covenant that our fathers made, and that we have reaffirmed from generation to generation, between the whole body of the people and every individual under national jurisdiction. It is a covenant between overwhelming power and every weak and defenceless one, every one who relies upon the protection of his country's laws for security to enjoy the fruits of industry and thrift, every one who would worship God according to his conscience, however his faith may differ from that of fellows, every one who asserts his manhood's right of freedom in speech and action—a solemn covenant that between the weak individual and all the power of the people and the people's officers shall forever stand the eternal principles of justice declared, defined, and made practically effective by specific rules in those provisions which we call the limitations of the Constitution. That covenant between power and weakness is the chief basis of American prosperity, American progress, and American liberty. It is because we have always observed it that we are not torn by dissension and revolution and civil war and alternating anarchy and despotism like so many of our sister republics, whose unhappy fortune we deplore. With all our pride in our vast material prosperity, in our successful institutions and our advance in civilization, we would not be boastful and vainglorious, for we come of God-fearing people, and we have learned the truth taught by religion, that all men are prone to error, are subject to temptation, are led astray by impulse. We know that this is as true in government as it is in private life, for the freedom that some of our fathers sought was freedom of conscience from the control of majorities; and our party was born in protest against the extension of a system of human slavery approved and maintained by majorities. We know that there is no safe course in the life of men or of nations except to establish and to follow declared principles of conduct. There is a divine principle of justice which men cannot make or unmake, which is above all governments, above all legislatures, above all majorities. Conformity to it is a condition of national life. The American people have set up this eternal law of justice as the guide for their national action. They have formulated and expressed it in practical rules of conduct established by them impersonally, abstractly, when no interest or impulse or specific desire was present to sway their judgment. Upon submission and conformity to these rules of justice depends our existence as a nation, and, as we love our country and hope for the continuance of its peace and liberty to our children's children, we should humbly and reverently seek for strength and wisdom to abide by the principles of the Constitution against the days of our temptation and weakness.

With a deep sense of duty to so order our country's government that the blessings which God has vouchsafed to us may be continued, we can be trusted to keep the pledge given to the American people by the last Republican National Convention:

"The Republican Party will uphold at all times the authority and integrity of the courts, state and federal, and will ever insist that their powers to enforce their process and to protect life, liberty and property shall be preserved inviolate."

We must be true to that pledge, for in no other way can our country keep itself within the straight and narrow path prescribed by the principles of right conduct embodied in our Constitution.

The limitations upon arbitrary power, and the prohibitions of the Bill of Rights which protect liberty and insure justice cannot be enforced except through the determinations of an independent and courageous judiciary.

We shall be true to that Republican pledge. The great courts in which Marshall, and Story, and Harlan sat will not be degraded from their high office. Their judges will not be punished for honest decisions; their judgments will be respected and

obeyed. The keystone of this balanced and stable structure of government, established by our fathers, will not be shattered by Republican hands; for we stand with Alexander Hamilton, who said, in the *Federalist*:

"For I agree that there is no liberty where the power of judging be not separate from the legislative and executive powers."

We stand with John Marshall, who said, in *Marbury vs. Madison*:

"To what purpose are powers limited, and to what purpose is that limitation committed to writing, if these limitations may, at any time, be passed by those intended to be restrained?"

And we stand with Abraham Lincoln, who said, in his first inaugural:

"A majority held in restraint by constitutional checks and limitations and always changing easily with deliberate changes of popular opinion and sentiment is the only true sovereign of a free people. Whoever rejects it does of necessity fly to anarchy or despotism."

The American system of locating manufactories next to the plow and the pasture has produced a result noticeable by the intelligent portion of all commercial nations.—Grant.

We do well to give the sanction of the Federal law to the principle of arbitration. We should encourage a spirit of concord and mutual respect between employer and employe, between the common carriers of interstate commerce and their employes.—Hon. C. W. Fairbanks, in United States Senate, May 12, 1898.

It is greatly in the interest of the workingman, therefore, that corporate capital should be fairly treated. Any injustice done to it acts directly upon the wage-earners, who must look to corporate wealth for their employment.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The effect of the organization of labor, on the whole, has been highly beneficial in securing better terms of employment for the whole laboring community. I have not the slightest doubt, and no one who knows anything about the subject can doubt, that the existence of labor unions steadies wages.—Hon. Wm. H. Taft, at Cooper Union, New York City.

I have examined this proposed method of reversing judicial decisions on constitutional questions with care. I do not hesitate to say that it lays the axe at the foot of the tree of well-ordered freedom and subjects the guaranties of life, liberty and property without remedy to the fitful impulse of a temporary majority of an electorate.—President Taft, at Toledo.

The first fruits of the Oklahoma so-called bank guaranty plan have been gathered. A bank at Oklahoma City failed, and yesterday the State officials took charge of the institution and began paying off the depositors with money collected from the other banks in the State. According to the authoritative declaration of the secretary of the State Banking Board, the bank's capital was "so impaired that on liquidation the stockholders may realize but little; also the bank has loaned far too great a proportion of its funds, and its supply of cash un replenished is inadequate to meet the requirements of the law." That is to say, unsafe banking methods brought about the failure of the institution, and the announcement is made that the retirement of most of the officials connected with it is probable. There is no charge of dishonesty. But the solvent and safely conducted banks are compelled to pay for the failure of the bank not conducted in accordance with the requirements of law and the dictates of sound banking. Honesty and safety and good business judgment are penalized to rectify the mistakes of the failed bank's officials.—Kansas City "Journal."

It has been the long-established view, at least in this Republic, that for stability, safety to all rights and for permanency, there must be a system, carefully and deliberately framed, not by the people directly, but by their chosen delegates specially qualified for the task; that under a Constitution so framed, laws must be passed, not by the people directly, but by their chosen representatives, presumably qualified for the work; that the execution of laws and administration of the functions of government must be entrusted to men chosen by the people for their capacity and fitness; that in the case of misunderstanding or dispute in regard to the exercise of powers or performance of duties, there must be a specially qualified and trained body of judges to interpret and apply laws and constitutions and determine the true course. Finally, if defects appear in the working of the system, the people shall have power, in a prescribed and orderly way, by choosing delegates and representatives, to amend constitutions, to improve legislation, to secure the performance of administrative and judicial duties more in conformity to their will, and thus to correct these defects.—New York "Journal of Commerce."

REPUBLICAN PLATFORM—1912.

The Republican Party, assembled by its representatives in National Convention, declares its unchanging faith in government of the people, by the people, for the people. We renew our allegiance to the principles of the Republican Party and our devotion to the cause of Republican institutions established by the fathers.

It is appropriate that we should now recall with a sense of veneration and gratitude the name of our first great leader, who was nominated in this city and whose lofty principles and superb devotion to his country are an inspiration to the party he honored—Abraham Lincoln. In the present state of public affairs we should be inspired by his broad statesmanship and by his tolerant spirit toward men.

The Republican Party looks back upon its record with pride and satisfaction, and forward to its new responsibilities with hope and confidence. Its achievements in government constitute the most luminous pages in our history. Our greatest national advance has been made during the years of its ascendancy in public affairs. It has been genuinely and always a party of progress; it has never been either stationary or reactionary. It has gone from the fulfillment of one great pledge to the fulfillment of another in response to the public need and to the popular will.

We believe in our self-controlled representative democracy, which is a government of laws, not of men, and in which order is the pre-requisite of progress.

The principles of constitutional government which make provision for orderly and effective expression of the popular will, for the protection of civil liberty and the rights of men, and for the interpretation of the law by an untrammelled and independent judiciary, have proved themselves capable of sustaining the structure of a government which, after more than a century of development, embraces one hundred millions of people, scattered over a wide and diverse territory, but bound by common purpose, common ideals and common affection to the Constitution of the United States. Under the Constitution and the principles asserted and vitalized by it, the United States has grown to be one of the great civilized and civilizing powers of the earth. It offers a home and an opportunity to the ambitious and the industrious from other lands. Resting upon the broad basis of a people's confidence and a people's support, and managed by the people themselves, the Government of the United States will meet the problems of the future as satisfactorily as it has solved those of the past.

Proposed Legislation.

The Republican Party is now, as always, a party of advanced and constructive statesmanship. It is prepared to go forward with the solution of these new questions which social, economic and political development have brought into the forefront of the nation's interest. It will strive, not only in the nation, but in the several States, to enact the necessary legislation to safeguard the public health, to limit effectively the labor of women and children, to protect wage-earners engaged in dangerous occupations, to enact comprehensive and generous workmen's compensation laws in place of the present wasteful and unjust system of employers' liability, and in all possible ways satisfy the just demand of the people for the study and solution of the complex and constantly changing problems of social welfare.

In dealing with these questions it is important that the rights of every individual to the freest possible development of his own powers and resources, and to the control of his own justly acquired property, so far as those are compatible with the rights of others, shall not be interfered with or destroyed. The social and political structure of the United States rests upon the civil liberty of the individual, and for the protection of that liberty the people have wisely, in the National and State Constitutions, put definite limitations upon themselves and upon their governmental officers and agencies. To enforce these limitations, to secure the orderly and coherent exercise of governmental powers and to protect the rights of even the humblest and least favored individual, are the functions of the independent courts of justice.

To Uphold Courts.

The Republican Party reaffirms its intention to uphold at all times the authority and integrity of the courts, both State and Federal, and it will ever insist that their powers to enforce their process and to protect life, liberty and property shall be preserved inviolate. An orderly method is provided under our system of government by which the people may, when they choose, alter or amend the constitutional provisions which underlie that government. Until these constitutional provisions are so altered or amended, in orderly fashion, it is the duty of the courts to see to it that when challenged they are enforced.

That the courts, both Federal and State, may bear the heavy burden laid upon them to the complete satisfaction of public opinion, we favor legislation to prevent long delays and the tedious and costly appeals which have so often amounted to a denial of justice in civil cases, and to a failure to protect the public at large in criminal cases.

Since the responsibility of the judiciary is so great, the standards of judicial action must be always and everywhere above suspicion and reproach. While we regard the recall of judges as unnecessary and unwise, we favor such action as may be necessary to simplify the process by which any judge who is found to be derelict in his duty may be removed from office.

Together with peaceful and orderly development at home, the Republican Party earnestly favors all measures for the establishment and protection of the peace of the world, and for the development of closer relations between the various nations of the earth. It believes most earnestly in the peaceful settlement of international disputes and in the reference of all justifiable controversies between nations to an international court of justice.

Monopoly and Privilege.

The Republican Party is opposed to special privilege and monopoly. It placed upon the statute books the Interstate Commerce Act of 1887, and the important amendments thereto, and the Anti-Trust Act of 1890, and it has consistently and successfully enforced the provisions of these laws. It will take no backward step to permit the re-establishment in any degree of conditions which were intolerable.

Experience makes it plain that the business of the country may be carried on without fear or without disturbance, and at the same time without resort to practices which are abhorrent to the common sense of justice. The Republican Party favors the enactment of legislation supplementary to the existing Anti-Trust Act which will define as criminal offences those specific acts that uniformly mark attempts to restrain and to monopolize trade, to the end that those who honestly intend to obey the law may have a guide for their action and that those who aim to violate the law may the more surely be punished. The same certainty should be given to the law prohibiting combinations and monopolies that characterizes other provisions of commercial law, in order that no part of the field of business opportunity may be restricted by monopoly or combination; that business

success honorably achieved may not be converted into crime, and that the right of every man to acquire commodities, and particularly the necessities of life, in an open market uninfluenced by the manipulation of trust or combination may be preserved.

Federal Trade Commission.

In the enforcement and administration of Federal laws governing interstate commerce and enterprises impressed with a public use engaged therein, there is much that may be committed to a federal trade commission, thus placing in the hands of an administrative board many of the functions now necessarily exercised by the courts. This will promote promptness in the administration of the law and avoid delays and technicalities incident to court procedure.

The Tariff.

We reaffirm our belief in a protective tariff. The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries and protecting our workmen against competition with cheaper labor abroad, thus establishing for our wage-earners the American standard of living. The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of our people out of employment. The products of the farm and of the mine should receive the same measure of protection as other products of American labor.

We hold that the import duties should be high enough while yielding a sufficient revenue to protect adequately American industries and wages. Some of the existing import duties are too high, and should be reduced. Readjustment should be made from time to time to conform to changed conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the tariff board has demonstrated the pronounced feature of modern industrial life is its enormous diversifications. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican Party has shown by its creation of a tariff board its recognition of this situation and its determination to be equal to it. We condemn the Democratic Party for its failure either to provide funds for the continuance of this board or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the Democratic method of legislating on these vitally important subjects without careful investigation.

We condemn the Democratic tariff bills passed by the House of Representatives of the Sixty-second Congress, as sectional, as injurious to the public credit and as destructive of business enterprise.

The Cost of Living.

The steadily increasing cost of living has become a matter not only of national, but of world-wide concern. The fact that it is not due to the protective tariff system is evidenced by the existence of similar conditions in countries which have a tariff policy different from our own, as well as by the fact that the cost of living has increased, while rates of duty have remained stationary or been reduced.

The Republican Party will support a prompt scientific inquiry into the causes which are operative, both in the United States and elsewhere, to increase the cost of living. When the exact facts are known it will take the necessary steps to remove any abuses that may be found to exist, in order that the cost of the food, clothing and shelter of the people may in no way be unduly or artificially increased.

Banking and Currency.

The Republican Party has always stood for a sound currency and for safe banking methods. It is responsible for the resumption of specie payments, and for the establishment of the gold standard. It is committed to the progressive development of our banking and currency system. Our banking arrangements to-day need further revision to meet the requirements of current conditions. We need measures which will prevent the recurrence of money panics and financial disturbances, and which will promote the prosperity of business and the welfare of labor by producing constant employment.

We need better currency facilities for the movement of crops in the West and South. We need banking arrangements under American auspices for the encouragement and better conduct of our foreign trade. In attaining these ends the independence of individual banks, whether organized under National or State charters, must be carefully protected, and our banking and currency system must be safeguarded from any possibility of domination by sectional, financial or political interests.

It is of great importance to the social and economic welfare of this country that its farmers have facilities for borrowing easily and cheaply the money they need to increase the productivity of their land. It is as important that financial machinery be provided to supply the demand of farmers for credit, as it is that the banking and currency systems be reformed in the interest of general business. Therefore we recommend and urge an authoritative investigation of agricultural credit societies and corporations in other countries, and the passage of State and Federal laws for the establishment and capable supervision of organizations having for the purpose the loaning of funds to farmers.

The Civil Service.

We reaffirm our adherence to the principle of appointment to public office based on proved fitness and tenure during good behavior and efficiency.

The Republican Party stands committed to the maintenance, extension and enforcement of the civil service law, and it favors the passage of legislation empowering the President to extend the competitive service so far as practicable. We favor legislation to make possible the equitable retirement of disabled and superannuated members of the civil service, in order that a higher standard of efficiency may be maintained.

We favor the amendment of the Federal employees' liability law so as to extend its provisions to all Government employees as well as to provide a more liberal scale of compensation for injury and death.

Campaign Contributions.

We favor such additional legislation as may be necessary more effectually to prohibit corporations from contributing funds, directly or indirectly, to campaigns for the nomination or election of the President, the Vice-President, Senators and Representatives in Congress.

We heartily approve the recent act of Congress, requiring the fullest publicity in regard to all campaign contributions whether made in connection with primaries, conventions or elections.

Conservation Policy.

We rejoice in the success of the distinctive Republican policy of the conservation of our national resources, for their use by the people without waste and without monopoly. We pledge ourselves to a continuance of such a policy.

We favor such fair and reasonable rules and regulations as will not discourage or interfere with actual bona fide home-seekers, prospectors and miners in the acquisition of public lands under existing laws.

In the interest of the general public, and particularly of the

agricultural or rural communities, we favor legislation looking to the establishment, under proper regulations, of a parcels post, the postal rates to be graduated under a zone similar in proportion to the length of carriage.

Protection of American Citizenship.

We approve the action taken by the President and the Congress to secure with Russia, as with other countries, a treaty that will recognize the absolute right of expatriation, and that will prevent all discrimination of whatever kind between American citizens, whether native born or alien, and regardless of race, religion or previous political allegiance. The right of asylum is a precious possession of the people of the United States and is to be neither surrendered nor restricted.

The Navy.

We believe in the maintenance of an adequate navy for the national defence, and we condemn the action of the Democratic House of Representatives in refusing to authorize the construction of additional ships.

Merchant Marine.

We believe that one of the country's most urgent needs is a revived merchant marine. There should be American ships, and plenty of them, to make use of the great American inter-oceanic canal now nearing completion.

Flood Prevention in the Mississippi.

The Mississippi river is the nation's drainage ditch. Its flood waters, gathered from thirty-one States and the Dominion of Canada, constitute an overpowering force which breaks the levees and pours its torrents over many million acres of the richest land in the Union, stopping mails, impeding commerce, and causing great loss of life and property. These floods are national in scope and the disasters they produce seriously affect the general welfare. The States, unaided, cannot cope with this giant problem; hence we believe the Federal Government should assume a fair proportion of the burden of its control so as to prevent the disasters from recurring floods.

Reclamation.

We favor the continuance of the policy of the Government with regard to the reclamation of arid lands, and for the encouragement of the speedy settlement and improvement of such lands we favor an amendment to the law that will reasonably extend the time within which the cost of any reclamation project may be repaid by the land owners under it.

Rivers and Harbors.

We favor a liberal and systematic policy for the improvement of our rivers and harbors. Such improvement should be made upon expert information and after a careful comparison of cost and prospective benefits.

Alaska.

We favor a liberal policy toward Alaska to promote the development of the great resources of that district, with such safeguards as will prevent waste and monopoly.

We favor the opening of the coal lands to development through a law leasing the lands on such terms as will invite development and provide fuel for the navy and the commerce of the Pacific ocean, while retaining title in the United States to prevent monopoly.



in which he had the co-operation of a Republican Congress, an unexampled amount of constructive legislation was framed and passed in the interest of the people and in obedience to their wish. That legislation is a record on which any administration might appeal with confidence to the favorable judgment of history.

We appeal to the American electorate upon the record of the Republican Party and upon this declaration of its principles and purposes. We are confident that under the leadership of the candidates here to be nominated our appeal will not be in vain; that the Republican Party will meet every just expectation of the people whose servant it is; that under its administration and its laws our nation will continue to advance, that peace and prosperity will abide with the people, and that new glory will be added to the great Republic.

If we have good wages, they are better by being paid in good dollars, and if we have poor wages they are made poorer by being paid in poor dollars.—Maj. McKinley to delegation of workmen, at Canton, 1896.

No sophistries or subtleties can make money or create a currency which is good for one and which is not equally good for the other. The interests of labor and capital are always identical.—Hon. C. W. Fairbanks, in United States Senate, March 5, 1900.

The greatest safeguard of human rights in the long run is to be found in independent courts, which can be swayed neither by the whisper of the bribe giver, by the clamor of the mob, by the command of the autocrat or by the dark threats of secret organization.—Hon. Henry Cabot Lodge.

The Republican Party is not only rich in men, but rich in practical and beneficent principles—it is rich, too, in its record, in promises performed and pledges fulfilled, and so we are for party and party principles first and will acquiesce in the choice of the majority, rallying around the standard bearer who will carry us again to victory.—Hon. James S. Sherman.

Under the system of protection every hour of honest toil purchases more of material comfort for the toiler than is attainable under any other system, the degree of such advantage being contingent upon the completeness and accuracy of the application of the protective system. This advantage comes directly or indirectly to all classes of toilers, be they weavers, spinners, carpenters, painters, machinists, farmers, doctors, editors or teachers.—Hon. H. B. Metcalf, Pawtucket, R. I., in the "American Economist."

With a deep sense of duty to so order our country's government that the blessings which God has vouchsafed to us may be continued, we can be trusted to keep the pledge given to the American people by the last Republican national convention: "The Republican Party will uphold at all times the authority and integrity of the courts, State and Federal, and will ever insist that their powers to enforce their process and to protect life, liberty and prosperity shall be preserved inviolate."—Senator Root, to Republican National Convention, 1912.

The carrying out ruthlessly of the whims and freaks of great bodies of the people regardless of minorities, in fact, the trampling down of the rights of minorities by brute force exercised by majorities has more than anything else brought on revolutions and destroyed States. The idea that assemblages of people who have never fully considered, and, indeed, are not competent to consider judicial questions, should reverse the careful decisions of the courts, is foreign not only to all precedents of good government, but to the simplest ideas of common sense.—Andrew D. White.

In the remedy by judicial recall it is proposed to provide by law that whenever a judge has so discharged his duties as to induce a certain percentage of the electorate to deem it wise to remove him, and that percentage sign a petition asking his recall, an election shall take place in which the incumbent shall stand against other candidates; and if he does not secure a plurality of votes, he is "ipso facto" removed. I have pointed out that under our form of government and constitution many of the issues arising before our courts are in effect issues between the State and the individual, between the majority and the minority—cases in which the popular interest might be greatly excited to secure a favorable judgment. By this system the question whether the judge is to be removed or not is to be left to that majority that may be greatly aroused to secure from him a judgment favorable to them. Could a system be devised, better adapted to deprive the judiciary of that independence without which the liberty and other rights of the individual cannot be maintained against the Government and the majority?—President Taft, at Toledo.

DEMOCRATIC PLATFORM—1912.

We, the representatives of the Democratic Party of the United States, in National Convention assembled, reaffirm our devotion to the principles of democratic government formulated by Thomas Jefferson and enforced by a long and illustrious line of Democratic Presidents.

TARIFF REFORM.

We declare it to be a fundamental principle of the Democratic Party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered.

The high Republican tariff is the principal cause of the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of the necessities of life to them, but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets. In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries. We denounce the Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff.

We favor the immediate downward revision of the existing high, and in many cases prohibitive, tariff duties, insisting that material reductions be speedily made upon the necessities of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.

We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

We denounce the action of President Taft in vetoing the bills to reduce the tariff in the cotton, woolen, metal and chemical schedules and the Farmers' Free-List Bill, all of which were designed to give immediate relief to the masses from the exactions of the trusts.

The Republican Party, while promising tariff revision, has shown by its tariff legislation that such revision is not to be in the people's interest, and having been faithless to its pledges of 1908, it should not longer enjoy the confidence of the nation. We appeal to the American people to support us in our demand for a tariff for revenue only.

HIGH COST OF LIVING.

The high cost of living is a serious problem in every American home. The Republican Party, in its platform, attempts to escape from responsibility for present conditions by denying that they are due to a protective tariff. We take issue with them on this subject, and charge that excessive prices result in a large measure from the high-tariff laws enacted and maintained by the Republican Party and from trusts and commercial conspiracies fostered and encouraged by such laws, and we assert that no substantial relief can be secured for the people until import duties on the necessities of life are materially reduced and these criminal conspiracies broken up.

ANTI-TRUST LAW.

A private monopoly is indefensible and intolerable. We therefore favor the vigorous enforcement of the criminal as well as the civil law against trusts and trust officials and demand the enactment of such additional legislation as may be necessary to make it impossible for a private monopoly to exist in the United States.

We favor the declaration by law of the conditions upon which corporations shall be permitted to engage in interstate trade, including, among others, the prevention of holding companies, of interlocking directors, of stock watering, of discrimination in price and the control by any one corporation of so large a proportion of any industry as to make it a menace to competitive conditions.

We condemn the action of the Republican Administration in compromising with the Standard Oil Company and the Tobacco Trust and its failure to invoke the criminal provisions of the anti-trust law against the officers of those corporations after the court had declared that from the undisputed facts in the record they had violated the criminal provisions of the law.

We regret that the Sherman Anti-Trust Law has received a judicial construction depriving it of much of its efficiency, and we favor the enactment of legislation which will restore to the statute the strength of which it has been deprived by such interpretation.

RIGHTS OF THE STATES.

We believe in the preservation and maintenance in their full strength and integrity of the three co-ordinate branches of the Federal Government—the executive, the legislative and the judicial—each keeping within its own bounds and not encroaching upon the just powers of either of the others.

Believing that the most efficient results under our system of government are to be attained by the full exercise by the States of their reserved sovereign powers, we denounce as usurpation the efforts of our opponents to deprive the States of any of the rights reserved to them, and to enlarge and magnify by indirection the powers of the Federal Government.

We insist upon the full exercise of all the powers of the Government, both State and National, to protect the people from injustice at the hands of those who seek to make the Government a private asset in business. There is no twilight zone between the Nation and the State in which exploiting interests can take refuge from both. It is as necessary that the Federal Government shall exercise the powers reserved to them, but we insist that the Federal remedies for the regulation of interstate commerce and for the prevention of private monopoly shall be added to, and not substituted for, State remedies.

INCOME TAX; ELECTION OF SENATORS.

We congratulate the country upon the triumph of two important reforms demanded in the last national platform—namely, the amendment of the Federal Constitution authorizing an income tax and the amendment providing for the popular election of Senators, and we call upon the people of all the States to rally to the support of the pending propositions and secure their ratification.

We note with gratification the unanimous sentiment in favor of publicity before the election of campaign contributions, a measure demanded in our national platform of 1908, and at that time opposed by the Republican Party, and we commend the Democratic House of Representatives for extending the doctrine of publicity to recommendations, verbal and written, upon which Presidential appointments are made, to the ownership and control of newspapers and to the expenditures made by and in behalf of those who aspire to Presidential nominations, and we point for additional justification for this legislation to the enormous expenditures of money in behalf of the President and his predecessor in the recent contest for the Republican nomination for President.

PRESIDENTIAL PRIMARIES.

The movement toward more popular government should be promoted through legislation in each State, which will permit the expression of the preference of the electors for national candidates at Presidential primaries.

We direct that the National Committee incorporate in the call for the next nominating convention a requirement that all expressions of preference for Presidential candidates shall be given and the selection of delegates and alternates made through a primary election conducted by the party organization in each State, where such expression and election are not provided for by State law. Committee men who are hereafter to constitute the membership of the Democratic National Committee and whose election is not provided for by law, shall be chosen in each State at such primary elections, and the service and authority of committeemen, however chosen, shall begin immediately upon the receipt of their credentials respectively.

CAMPAIGN CONTRIBUTIONS.

We pledge the Democratic Party to the enactment of a law prohibiting the corporations from contributing to a campaign fund and any individual from contributing any amount above a reasonable maximum.

TERM OF PRESIDENT.

We favor a single Presidential term, and to that end urge the adoption of an amendment to the Constitution making the President of the United States ineligible for re-election, and we pledge the candidate of this Convention to this principle.

DEMOCRATIC CONGRESS.

At this time, when the Republican Party, after a generation of unlimited power in its control of the Federal Government, is rent into factions, it is opportune to point to the record of accomplishment of the Democratic House of Representatives in the Sixty-second Congress. We indorse its action, and we challenge comparison of its record with that of any Congress which has been controlled by our opponents. We call the attention of the patriotic citizens of our country to its record of efficiency, economy and constructive legislation.

It has, among other achievements, revised the rules of the House of Representatives so as to give to the Representatives of the American people freedom of speech and of action in advocating, proposing and perfecting remedial legislation.

It has passed bills for the relief of the people and the development of our country; it has endeavored to revise the tariff taxes downward in the interest of the consuming masses and thus to reduce the high cost of living.

It has proposed an amendment to the Federal Constitution providing for the election of United States Senators by the direct vote of the people.

It has secured the admission of Arizona and New Mexico as two sovereign States.

It has required the publicity of campaign expenses both before and after election and fixed a limit upon the election expenses of United States Senators and Representatives.

It has also passed a bill to prevent the abuse of the writ of injunction.

It has passed a law establishing an eight-hour day for workmen on all national public work.

It has passed a resolution which forced the President to take immediate steps to abrogate the Russian treaty.

And it has passed the great supply bills, which lessen waste and extravagance and which reduce the annual expenses of the Government by many millions of dollars.

We approve the measure reported by the Democratic leaders in the House of Representatives for the creation of a Council of

National Defense, which will determine a definite naval program, with a view to increased efficiency and economy. The party that proclaimed and has always enforced the Monroe Doctrine and was sponsor for the new navy will continue faithfully to observe the constitutional requirements to provide and maintain an adequate and well-proportioned navy, sufficient to defend American policies, protect our citizens and uphold the honor and dignity of the nation.

REPUBLICAN EXTRAVAGANCE.

We denounce the profligate waste of the money wrung from the people by oppressive taxation through the lavish appropriations of recent Republican Congresses, which have kept taxes high and reduced the purchasing power of the people's toil. We demand a return to that simplicity and economy which befits a democratic government, and a reduction in the number of useless offices, the salaries of which drain the substance of the people.

RAILROADS, EXPRESS, TELEGRAPH AND TELEPHONE.

We favor the efficient supervision and rate regulation of railroads, express companies, telegraph and telephone lines engaged in interstate commerce. To this end we recommend the valuation of railroads, express companies, telegraph and telephone lines by the Interstate Commerce Commission, such valuation to take into consideration the physical value of the property, the original cost, the cost of reproduction and any element of value that will render the valuation fair and just.

We favor such legislation as will effectually prohibit the railroads, express, telegraph and telephone companies from engaging in business which brings them into competition with their shippers or patrons; also legislation preventing the overissue of stocks and bonds by interstate railroads, express companies, telegraph and telephone lines, and legislation which will assure such reduction in transportation rates as conditions will permit, care being taken to avoid reduction that would compel a reduction of wages, prevent adequate service or do injustice to legitimate investments.

BANKING LEGISLATION.

We oppose the so-called Aldrich bill for the establishment of a central bank, and we believe the people of the country will be largely freed from panics and consequent unemployment and business depression by such a systematic revision of our banking laws as will render temporary relief in localities where such relief is needed, with protection from control or dominion by what is known as the Money Trust.

Banks exist for the accommodation of the public and not for the control of business. All legislation on the subject of banking and currency should have for its purpose the securing of these accommodations on terms of absolute security to the public and of complete protection from the misuse of the power that wealth gives to those who possess it.

We condemn the present methods of depositing government funds in a few favored banks, largely situated in or controlled by Wall Street, in return for political favors, and we pledge our party to provide by law for their deposit by competitive bidding in the banking institutions of the country, National and State, without discrimination as to locality, upon approved securities and subject to call by the Government.

RURAL CREDITS.

Of equal importance with the question of currency reform is the question of rural credits or agricultural finance. Therefore we recommend that an investigation of agricultural credit societies in foreign countries be made, so that it may be ascertained whether a system of rural credits may be devised suitable to conditions in the United States; and we also favor legislation permitting national banks to loan a reasonable proportion of their funds on real estate security.

We recognize the value of vocational education and urge Federal appropriations for such training and extension teaching in agriculture in co-operation with the several States.

WATERWAYS.

We renew the declaration in our last platform relating to the conservation of our natural resources and development of our waterways. The present devastation of the Lower Mississippi Valley accentuates the movement for the regulation of river flow by additional bank and levee protection below, and the diversion, storage and control of the flood waters above, and their utilization for beneficial purposes in the reclamation of arid and swamp lands and the development of water power, instead of permitting the floods to continue as heretofore, agents of destruction.

We hold that the control of the Mississippi River is a national problem. The preservation of the depth of its water for the purpose of navigation, the building of levees to maintain the integrity of its channel and the prevention of the overflow of the land and its consequent devastation, resulting in the interruption of interstate commerce, the disorganization of the mail service and the enormous loss of life and property, impose an obligation which alone can be discharged by the General Government. To maintain an adequate depth of water the entire year, and thereby encourage water transportation, is a consummation worthy of legislative attention, and presents an issue national in its character. It calls for prompt action on the part of Congress, and the Democratic Party pledges itself to the enactment of legislation leading to that end.

We favor the co-operation of the United States and the respective States in plans for the comprehensive treatment of all waterways, with a view of co-ordinating plans for channel improvement with plans for drainage of swamp and overflowed lands, and to this end we favor the appropriation by the Federal Government of sufficient funds to make surveys of such lands, to develop plans for draining the same and to supervise the work of construction. We favor the adoption of a liberal and comprehensive plan for the development and improvement of our inland waterways, with economy and efficiency, so as to permit the navigation by vessels of standard draught.

POST ROADS.

We favor national aid to State and local authorities in the construction and maintenance of post roads.

RIGHTS OF LABOR.

We repeat our declarations of the platform of 1908, as follows: "The courts of justice are the bulwarks of our liberties and we yield to none in our purpose to maintain their dignity. Our party has given to the bench a long line of distinguished justices, who have added to the respect and confidence in which this department must be jealously maintained. We resent the attempt of the Republican Party to raise a false issue respecting the judiciary. It is an unjust reflection upon a great body of our citizens to assume that they lack respect for the courts."

It is the function of the courts to interpret the laws which the people enact, and if the laws appear to work economic, social or political injustice, it is our duty to change them. The only basis upon which the integrity of our courts can stand is that of unswerving justice and protection of life, personal liberty and property. As judicial processes may be abused, we should guard them against abuse.

Experience has proved the necessity of a modification of the present law relating to injunction, and we reiterate the pledges of our platforms of 1896 and 1904 in favor of a measure which passed the United States Senate in 1896, relating to contempt in Federal Courts, and providing for trial by jury in cases of indirect contempt.

Questions of judicial practice have arisen, especially in connection with industrial disputes. We believe that the parties to

all judicial proceedings should be treated with rigid impartiality, and that injunctions should not be issued in any case in which an injunction would not issue if no industrial dispute were involved.

The expanding organization of industry makes it essential that there should be no abridgement of the right of the wage-earners and producers to organize for the protection of wages and the improvement of labor conditions, to the end that such labor organizations and their members should not be regarded as illegal combinations in restraint of trade.

We pledge the Democratic Party to the enactment of a law creating a Department of Labor represented separately in the President's Cabinet, in which department shall be included the subject of mines and mining.

We pledge the Democratic Party, so far as the Federal jurisdiction extends, to an employees' compensation law, providing adequate indemnity for injury to body or loss of life.

CONSERVATION.

We believe in the conservation and the development, for the use of all the people, of the natural resources of the country. Our forests, our sources of water supply, our arable and our mineral lands, our navigable streams and all the other material resources with which our country has been so lavishly endowed constitute the foundation of our national wealth. Such additional legislation as may be necessary to prevent their being wasted or absorbed by special or privileged interests should be enacted and the policy of their conservation should be rigidly adhered to.

The public domain should be administered and disposed of with due regard to the general welfare. Reservations should be limited to the purposes which they purport to serve, and not extended to include land wholly unsuited therefor. The unnecessary withdrawals from sale and settlement of enormous tracts of public land, upon which tree growth never existed, and cannot be promoted, tends only to retard development, create discontent and bring reproach upon the policy of conservation.

The public land laws should be administered in a spirit of the broadest liberality toward the settler exhibiting a *bona fide* purpose to comply therewith, to the end that the invitation of this Government to the landless should be as attractive as possible; and the plain provisions of the forest-reserve act permitting homestead entries to be made within the national forests should not be nullified by administrative regulations which amount to a withdrawal of great areas of the same from settlement.

Immediate action should be taken by Congress to make available the vast and valuable coal deposits of Alaska under conditions that will be a perfect guaranty against their falling into the hands of monopolizing corporations, associations or interests.

We rejoice in the inheritance of mineral resources unequalled in extent, variety or value, and in the development of a mining industry unequalled in its magnitude and importance. We honor the men who in their hazardous toil underground daily risk their lives in extracting and preparing for our use the products of the mine, so essential to the industries, the commerce and the comfort of the people of this country. And we pledge ourselves to the extension of the work of the Bureau of Mines in every way appropriate for national legislation, with a view of safeguarding the lives of the miners, lessening the waste of essential resources and promoting the economic development of mining, which, along with agriculture, must in the future, even more than in the past, serve as the very foundation of our national prosperity and welfare and our international commerce.

AGRICULTURE.

We believe in encouraging the development of a modern system of agriculture and a systematic effort to improve the conditions of trade in farm products so as to benefit both the consumers and producers. And as an efficient means to this end, we favor the enactment by Congress of legislation that will suppress the pernicious practice of gambling in agricultural products by organized exchanges or others.

MERCHANT MARINE.

We believe in fostering, by constitutional regulation of commerce, the growth of a merchant marine, which shall develop and strengthen the commercial ties which bind us to our sister republics of the South, but without imposing additional burdens upon the people and without bounties or subsidies from the public treasury.

We urge upon Congress the speedy enactment of laws for the greater security of life and property at sea, and we favor the repeal of all laws, and the abrogation of so much of our treaties with other nations, as provide for the arrest and imprisonment of seamen charged with desertion, or with violation of their contract of service. Such laws and treaties are un-American and violate the spirit, if not the letter, of the Constitution of the United States.

We favor the exemption from tolls of American ships engaged in coastwise trade passing through the Panama Canal.

We also favor legislation forbidding the use of the Panama Canal by ships owned or controlled by railroad carriers engaged in transportation competitive with the canal.

PURE FOOD AND PUBLIC HEALTH.

We reaffirm our previous declarations advocating the union and strengthening of the various governmental agencies relating to pure foods, quarantine, vital statistics and human health. Thus united and administered without partiality to or discrimination against any school of medicine or system of healing, they would constitute a single health service not subordinated to any commercial or financial interests, but devoted exclusively to the conservation of human life and efficiency. Moreover, this health service should co-operate with the health agencies of our various States and cities, without interference with their prerogatives or with the freedom of individuals to employ such medical or hygienic aid as they may see fit.

CIVIL SERVICE LAW.

The law pertaining to the Civil Service should be honestly and rigidly enforced to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party; and we favor a reorganization of the Civil Service with adequate compensation commensurate with the class of work performed for all officers and employees; we also favor the extension to all classes of civil-service employees of the benefits of the provisions of the Employers' Liability Law; we also recognize the right of direct petition to Congress by employees for the redress of grievances.

LAW REFORM.

We recognize the urgent need of reform in the administration of civil and criminal law in the United States, and we recommend the enactment of such legislation and the promotion of such measures as will rid the present legal system of the delays, expense and uncertainty incidental to the system as now administered.

THE PHILIPPINES.

We reaffirm the position thrice announced by the Democracy in National Convention assembled, against a policy of imperialism and colonial exploitation in the Philippines or elsewhere. We condemn the experiment in imperialism as an inexcusable blunder which has involved us in enormous expense, brought us weakness instead of strength, and laid our Nation open to the charge of abandonment of the fundamental doctrine of self-government. We favor an immediate declaration of the Nation's purpose to recognize the independence of the Philippine Islands as soon as a stable government can be established, such independence to be guaranteed by us until the neutralization of the islands can be

secured by treaty with other powers. In recognizing the independence of the Philippines, our Government should retain such lands as may be necessary for coaling stations and naval bases.

ARIZONA AND NEW MEXICO.

We welcome Arizona and New Mexico to the sisterhood of States and heartily congratulate them upon their auspicious beginning of great and glorious careers.

ALASKA.

We demand for the people of Alaska the full enjoyment of the rights and privileges of a territorial form of government, and we believe that the officials appointed to administer the government of all our Territories and the District of Columbia should be qualified by previous *bona fide* residence.

THE RUSSIAN TREATY.

We commend the patriotism of the Democratic members of the Senate and House of Representatives which compelled the termination of the Russian treaty of 1832, and we pledge ourselves anew to preserve the sacred rights of American citizenship at home and abroad. No treaty should receive the sanction of our Government which does not recognize that equality of all of our citizens, irrespective of race or creed, and which does not expressly guarantee the fundamental right of expatriation.

The constitutional rights of American citizens should protect them on our borders and go with them throughout the world, and every American citizen residing or having property in any foreign country is entitled to and must be given the full protection of the United States Government, both for himself and his property.

PARCELS POST AND RURAL DELIVERY.

We favor the establishment of a parcels post or postal express, and also the extension of the rural delivery system as rapidly as practicable.

PANAMA CANAL EXPOSITION.

We hereby express our deep interest in the Great Panama Canal Exposition, to be held in San Francisco in 1915, and favor such encouragement as can be properly given.

PROTECTION OF NATIONAL UNIFORM.

We commend to the several States the adoption of a law making it an offense for the proprietors of places of public amusement and entertainment to discriminate against the uniform of the United States, similar to the law passed by Congress applicable to the District of Columbia and the Territories in 1911.

PENSIONS.

We renew the declaration of our last platform relating to a generous pension policy.

RULE OF THE PEOPLE.

We call attention to the fact that the Democratic Party's demand for a return to the rule of the people, expressed in the national platform four years ago, has now become the accepted doctrine of a large majority of the electors. We again remind the country that only by a larger exercise of the reserved power of the people can they protect themselves from the misuse of delegated power and the usurpation of governmental instrumentalities by special interests. For this reason the National Convention insisted on the overthrow of Cannonism and the inauguration of a system by which the United States Senators could be elected by direct vote. The Democratic party offers itself to the country as an agency through which the complete overthrow and extirpation of corruption, fraud and machine rule in American politics can be effected.

CONCLUSION.

Our platform is one of principles which we believe to be essential to our national welfare. Our pledges are made to be kept when in office as well as relied upon during the campaign, and we invite the co-operation of all citizens, regardless of party, who believe in maintaining unimpaired the institutions and traditions of our country.

Evils are to be suppressed by definite and practical measures—not by oratory or denunciation.—Hon. Wm. H. Taft, at Greensboro, N. C.

The national credit is of too paramount importance, and nothing should be done to tarnish or impair it.—Hon. W. McKinley, in House of Representatives, April 15, 1878.

We are the trustees and guardians of the whole Filipino people, and peculiarly of the ignorant masses, and our trust is not discharged until those masses are given education sufficient to know their civil rights and maintain them against a more powerful class and safely to exercise the political franchise.—Hon. Wm. H. Taft, in special report to the President.

Plans have been suggested for the migration of the negroes to some other country, where they would live by themselves and grow up by themselves, and have a society by themselves, and create a nation by themselves. Such a suggestion is chimerical. The negro has no desire to go, and the people of the South would seriously object to his going.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

Money indebtedness is not the only obligation we incurred and assumed in the great Civil War. There was a still greater debt, an everlasting obligation that could never be paid in full. But in the years that have followed, the Republican party has inaugurated and developed pension laws under which over three and one-half billion dollars have been paid to disabled veterans or to the survivors of those who gave their lives for their country and their flag. This pension system, a product of the policy of the Republican Party, has no precedent in history and no equal in justice and generosity among the nations of the earth.—Hon. James S. Sherman.

The arguments adduced in support of the free sugar proposal apply with equal force to free steel, free wool, to the transfer to the free list of any other widely used commodity—and with no greater force. If we are to have free trade in one, we should have free trade in all these commodities. Yet Mr. Underwood was careful not to propose the transfer of the products of his Birmingham district to the free list. The sugar industry seems to have been selected as the victim, for no other reason than that the sugar growers in the South and West are believed to lack the political power for successful resistance.—New Orleans "Times-Democrat" (Dem.)

When the Sherwood pension bill was passed by the House of Representatives it was heralded as a Democratic measure. A little analysis of the vote will show the falsity of this claim. The Democrats are in the majority in the House, and yet the roll-call discloses the fact that 132 Republicans were recorded in favor of the bill and only 97 Democrats. The Republicans furnished 58 per cent. of the votes for the bill; the Democrats 42 per cent. Of all the Republicans in the House 80 per cent. voted for the bill, and only 43 per cent. of the Democrats. The Republicans, with only 42 per cent. of the membership of the House, furnished 58 per cent. of the votes for the bill. The Democrats, with 58 per cent. of the House membership, furnished but 42 per cent. of the votes for the bill.—Omaha "Bee."

President Taft has acted in the Russian passport question with the directness that always characterizes his official conduct. Having exhausted the resources of diplomacy, and in the face of an overwhelming vote in the House for the Sulzer resolution, which promised to end friendly relations between this country and Russia, he takes the initiative himself and sends Russia notice of the intention of the United States to abrogate the treaty. The House resolution, passing Congress and signed by the President, would have been a direct offense to the Russian Government by the United States and would have been resented by that government. President Taft, heartily in sympathy with the effort to bring about the proper recognition of all citizens bearing American passports, has worked quite as earnestly for the end sought by the Jewish committee as any member of that committee, and he has the confidence of the men at the head of the movement. The abrogation of the treaty without offense will be followed by negotiations for a new treaty, and it is believed in diplomatic circles that the hardships which have been endured by persons on account of race and religion will be mitigated. They surely would not have been mitigated had the treaty been abrogated by the Sulzer resolution.—New York "Herald" (Ind.).

TARIFF IN REPUBLICAN AND DEMOCRATIC PLATFORMS, 1856 TO 1912.

REPUBLICAN TARIFF PLANKS.

1860.

While providing revenue for the support of the General Government by duties upon imports, sound policy requires such an adjustment of these imposts as to encourage the development of the industrial interests of the whole country; and we commend that policy of national exchanges which secures to the workingmen liberal wages, to agriculture remunerative prices, to mechanics and manufacturers an adequate reward for their skill, labor and enterprise, and to the Nation commercial prosperity and independence.

(1864 and 1868 no special reference to tariff.)

1872.

The annual revenue, after paying current expenditures, pensions, and the interest on the public debt, should furnish a moderate balance for the reduction of the principal, and that revenue, except so much as may be derived from a tax on tobacco and liquors, should be raised by duties upon importations, the details of which should be so adjusted as to aid in securing remunerative wages to labor, and promote the industries, prosperity and growth of the whole country.

1876.

The revenue necessary for current expenditures and the obligations of the public debt must be largely derived from duties upon importations, which, so far as possible, should be adjusted to promote the interests of American labor and advance the prosperity of the whole country.

1880.

We reaffirm the belief avowed in 1876 that the duties levied for the purpose of revenue should so discriminate as to favor American labor.

1884.

It is the first duty of a good government to protect the rights and promote the interests of its own people. The largest diversity of industry is most productive of general prosperity and of the comfort and independence of the people. We, therefore, demand that the imposition of duties on foreign imports shall be made not "for revenue only," but that in raising the requisite revenues for the Government such duties shall be so levied as to afford security to our diversified industries and protection to the rights and wages of the laborer, to the end that active and intelligent labor, as well as capital, may have its just reward and the laboring man his full share in the national prosperity. Against the so-called economic system of the Democratic Party, which would degrade our labor to the foreign standard, we enter our earnest protest. The Democratic Party has failed completely to relieve the people of the burden of unnecessary taxation by a wise reduction of the surplus. The Republican Party pledges itself to correct the inequalities of the tariff and to reduce the surplus, not by the vicious and indiscriminate process of horizontal reduction, but by such methods as will relieve the taxpayer without injuring the labor or the great productive

interests of the country. We recognize the importance of sheep-husbandry in the United States, the serious depression which it is now experiencing and the danger threatening its future prosperity; and we, therefore, respect the demands of the representatives of this important agricultural interest for a readjustment of duties upon foreign wool, in order that such industry shall have full and adequate protection.

1888.

We are uncompromisingly in favor of the American system of protection; we protest against its destruction as proposed by the President and his party. They serve the interests of Europe; we will support the interests of America. We accept the issue and confidently appeal to the people for their judgment. The protective system must be maintained. Its abandonment has always been followed by general disaster to all interests, except those of the usurer and the sheriff. We denounce the Mills Bill as destructive to the general business, the labor, and the farming interests of the country, and we heartily endorse the consistent and patriotic action of the Republican Representatives in Congress in opposing its passage. We condemn the proposition of the Democratic Party to place wool on the free list, and we insist that the duties thereon shall be adjusted and maintained so as to furnish full and adequate protection to that industry throughout the United States. The Republican Party would effect all needed reduction of the national revenue by repealing the taxes upon tobacco, which are an annoyance and burden to agriculture, and the tax upon spirits used in the arts and for mechanical purposes, and by such revision of the tariff laws as will tend to check imports of such articles as are produced by our people, the production of which gives employment to our labor, and release from import duties those articles of foreign production (except luxuries) the like of which cannot be produced at home. If there shall still remain a larger revenue than is requisite for the wants of the Government, we favor the entire repeal of internal taxes rather than the surrender of any part of our protective system, at the joint behests of the whisky trusts and the agents of foreign manufactures.

1892.

We reaffirm the American doctrine of protection. We call attention to its growth abroad. We maintain that the prosperous condition of our country is largely due to the wise revenue legislation of the last Republican Congress. We believe that all articles which cannot be produced in the United States, except, luxuries, should be admitted free of duty, and that on all imports coming into competition with the products of American labor there should be levied duties equal to the difference between wages abroad and at home. We assert that the prices of manufactured articles of general consumption have been reduced under the operations of the Tariff Act of 1890.

We denounce the efforts of the Democratic majority of the House of Representatives to destroy our tariff laws by piecemeal, as manifested by their attacks upon wool, lead, and lead ores, the chief product of a number of States, and we ask the people for their judgment thereon.

1896.

We renew and emphasize the allegiance to the policy of protection as the bulwark of American industrial independence and the foundation of American development and prosperity. This true American policy taxes foreign products and encourages home industry; it puts the burden of revenue on foreign goods; it secures the American market for the American producer; it upholds the American standard of wages for the American workingman; it puts the factory by the side of the farm, and makes the American farmer less dependent on foreign demand and price; it diffuses general thrift, and founds the strength of all on the strength of each. In its reasonable application it is just, fair and impartial; equally opposed to

foreign control and domestic monopoly, to sectional discrimination and individual favoritism. We denounce the present Democratic tariff as sectional, injurious to the public credit, and destructive to business enterprise. We demand such an equitable tariff on foreign imports which come into competition with American products as will not only furnish adequate revenue for the necessary expenses of the Government, but will protect American labor from degradation to the wage level of other lands. We are not pledged to any particular schedules. The question of rates is a practical question, to be governed by the conditions of the time and of production; the ruling and uncompromising principle is the protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

1900.

We renew our faith in the policy of protection to American labor. In that policy our industries have been established, diversified, and maintained. By protecting the home market competition has been stimulated and production cheapened. Opportunity to the inventive genius of our people has been secured and wages in every department of labor maintained at high rates, higher now than ever before, and always distinguishing our working people in their better condition of life from those of any competing country. Enjoying the blessings of the American common school, secure in the right of self-government, and protected in the occupancy of their own markets, their constantly increasing knowledge and skill have enabled them to finally enter the markets of the world. We favor the associated policy of reciprocity so directed as to open our markets on favorable terms for what we do not ourselves produce in return for free foreign markets.

1904.

Protection which guards and develops our industries is a cardinal policy of the Republican Party. The measure of protection should always at least equal the difference in the cost of production at home and abroad. We insist upon the maintenance of the principle of protection, and, therefore, rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration, but this work cannot safely be committed to any other hands than those of the Republican Party. To entrust it to the Democratic Party is to invite disaster. Whether, as in 1892, the Democratic Party declares the protective tariff unconstitutional, or whether it demands tariff reform or tariff revision, its real object is always the destruction of the protective system. However specious the name, the purpose is ever the same. A Democratic tariff has always been followed by business adversity; a Republican tariff by business prosperity. To a Republican Congress and a Republican President this great question can be safely intrusted. When the only free trade country among the great nations agitates a return to protection the chief protective country should not falter in maintaining it.

1908.

The Republican Party declares unequivocally for the revision of the tariff by a special session of Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress, which are now investigating the operation and effect of existing schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets, and the minimum to represent the normal measure of protection at home, the aim and pur-

pose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.

1912.

We reaffirm our belief in a protective tariff. The Republican tariff policy has been of the greatest benefit to the country, developing our resources, diversifying our industries and protecting our workmen against competition with cheaper labor abroad, thus establishing for our wage-earners the American standard of living. The protective tariff is so woven into the fabric of our industrial and agricultural life that to substitute for it a tariff for revenue only would destroy many industries and throw millions of our people out of employment. The products of the farm and of the mine should receive the same measure of protection as other products of American labor. We hold that the import duties should be high enough while yielding a sufficient revenue to protect adequately American industries and wages. Some of the existing import duties are too high, and should be reduced. Readjustment should be made from time to time to conform to changed conditions and to reduce excessive rates, but without injury to any American industry. To accomplish this, correct information is indispensable. This information can best be obtained by an expert commission, as the large volume of useful facts contained in the recent reports of the tariff board has demonstrated the pronounced feature of modern industrial life is its enormous diversifications. To apply tariff rates justly to these changing conditions requires closer study and more scientific methods than ever before. The Republican Party has shown by its creation of a tariff board its recognition of this situation and its determination to be equal to it. We condemn the Democratic Party for its failure either to provide funds for the continuance of this board or to make some other provision for securing the information requisite for intelligent tariff legislation. We protest against the Democratic method of legislating on these vitally important subjects without careful investigation. We condemn the Democratic tariff bills passed by the House of Representatives of the Sixty-second Congress, as sectional, as injurious to the public credit and as destructive of business enterprise.

DEMOCRATIC TARIFF PLANKS.

1856.

The time has come for the people of the United States to declare themselves in favor of free seas and progressive free trade throughout the world, and, by solemn manifestations, to place their moral influence at the side of their successful example.

1860.

We, the Democracy of the Union, in convention assembled, hereby declare our affirmance of the resolutions unanimously adopted and declared as a platform of principles by the Democratic Convention in Cincinnati in the year 1856, believing that Democratic principles are unchangeable in their nature when applied to the same subject-matters.

1868.

A tariff for revenue upon foreign imports, and such equal taxation under the Internal Revenue Laws as will afford incidental protection to domestic manufactures, and as will, with-

out impairing the revenue, impose the least burden upon and best promote and encourage the great industrial interests of the country.

1872.

Recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of protection and free trade, we remit the discussion of the subject to the people in the Congressional districts, and to the decision of the Congress thereon, wholly free from executive interference or dictation.

1876.

We denounce the present tariff, levied upon nearly 4000 articles, as a masterpiece of injustice, inequality, and false pretense. It yields a dwindling, not a yearly rising revenue. It has impoverished many industries to subsidize a few. It prohibits imports that might purchase the products of American labor. It has degraded American commerce from the first to an inferior rank on the high seas. It has cut down the sales of American manufactures at home and abroad, and depleted the returns of American agriculture—an industry followed by half our people. It costs the people five times more than it produces to the Treasury, obstructs the process of production, and wastes the fruits of labor. It promotes fraud, fosters smuggling, enriches dishonest officials, and bankrupts honest merchants. We demand that all custom-house taxation shall be only for revenue.

1880.

A tariff for revenue only.

1884.

The Democratic Party is pledged to revise the tariff in a spirit of fairness to all interests. But, in making the reduction in taxes, it is not proposed to injure any domestic industries, but rather to promote their healthy growth. From the foundation of this Government taxes collected at the custom-house have been the chief source of federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of the reform must be subject in the execution to this plain dictate of justice—all taxation shall be limited to the requirements of economical government. The necessary reduction and taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country. Sufficient revenue to pay all the expenses of the Federal Government economically administered, including pensions, interest, and principal of the public debt, can be got under our present system of taxation from the custom-house taxes on fewer imported articles, bearing heaviest on articles of luxury and bearing lightest on articles of necessity. We, therefore, denounce the abuses of the existing tariff, and, subject to the preceding limitations, we demand that federal taxation shall be exclusively for public purposes, and shall not exceed the needs of the Government economically administered.

1888.

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations. In the interests of American labor, which should in no event be neglected, the revision of our tax

laws contemplated by the Democratic Party should promote the advantage of such labor by cheapening the cost of necessities of life in the home of every workingman, and at the same time securing to him steady and remunerative employment. Upon this question of tariff reform, so closely concerning every phase of our national life, and upon every question involved in the problem of good government, the Democratic Party submits its principles and professions to the intelligent suffrages of the American people.

1892.

We denounce Republican protection as a fraud, a robbery of the great majority of the American people for the benefit of the few. We declare it to be a fundamental principle of the Democratic Party that the Federal Government has no constitutional power to impose and collect tariff duties, except for the purposes of revenue only; and we demand that the collection of such taxes shall be limited to the necessities of the Government when honestly and economically administered. We denounce the McKinley tariff law, enacted by the Fifty-first Congress, as the culminating atrocity of class legislation; we indorse the efforts made by the Democrats of the present Congress to modify its most oppressive features in the direction of free raw materials and cheaper manufactured goods that enter into general consumption, and we promise its repeal as one of the beneficent results that will follow the action of the people in trusting power to the Democratic Party. Since the McKinley tariff went into operation there have been ten reductions of the wages of the laboring man to one increase. We deny that there has been any increase of prosperity to the country since that tariff went into operation, and we point to the dullness and distress, to the wage reductions and strikes in the iron trade as the best possible evidence that no such prosperity has resulted from the McKinley act. We call the attention of thoughtful Americans to the fact that after thirty years of restrictive taxes against the importation of foreign wealth in exchange for our agricultural surplus the homes and farms of the country have become burdened with a real estate mortgage debt of over two thousand five hundred million dollars exclusive of all other forms of indebtedness; that in one of the chief agricultural States of the West there appears a real estate mortgage debt averaging \$165 per capita of the total population, and that similar conditions and tendencies are shown to exist in the other agricultural exporting States. We denounce a policy which fosters no industry so much as it does that of the sheriff.

1896.

We hold that tariff duties should be levied for the purposes of revenue, such duties to be so adjusted as to operate equally throughout the country and not discriminate between class or section, and that taxation should be limited by the needs of the Government honestly and economically administered. We denounce, as disturbing to business, the Republican threat to restore the McKinley law, which has been twice condemned by the people in national elections, and which, enacted under the false plea of protection to home industry, proved a prolific breeder of trusts and monopolies, enriched the few at the expense of the many, restricted trade, and deprived the producers of the great American staples of access to their natural markets.

1900.

We condemn the Dingley Tariff law as a trust-breeding measure, skillfully devised to give the few favors which they do not deserve and to place upon the many burdens which they should not bear. We reaffirm and indorse the principles of the National Democratic Platform adopted at Chicago in 1896.

1904.

The Democratic Party has been, and will continue to be, the consistent opponent of that class of tariff legislation by

which certain interests have been permitted, through Congressional favor, to draw a heavy tribute from the American people. This monstrous perversion of those equal opportunities which our political institutions were established to secure has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the Government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations, by the financial assistance they can give, now control the policy of the Republican Party. We denounce protectionism as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government, economically, effectively, and constitutionally administered, and so levied as not to discriminate against any industry, class, or section to the end that the burdens of taxation shall be distributed as equally as possible.

We favor a revision and a gradual reduction of the tariff by the friends of the masses and for the common weal, and not by the friends of its abuses, its extortions, and its discriminations, keeping in view the ultimate end of "equality of burdens and equality of opportunities" and the constitutional purpose of raising a revenue by taxation, to wit, the support of the Federal Government in all its integrity and virility, but in simplicity.

1908.

We welcome the belated promise of tariff reform now offered by the Republican Party in tardy recognition of the righteousness of the Democratic position on this question; but the people cannot safely entrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican Party. We call attention to the significant fact that the promised relief is postponed until after the coming election—an election to succeed in which the Republican Party must have that same support from the beneficiaries of the high protective tariff as it has always heretofore received from them; and to the further fact that during years of uninterrupted power no action whatever has been taken by the Republican Congress to correct the admittedly existing tariff iniquities. We favor the immediate revision of the tariff by the reduction of import duties. Articles entering into competition with trust-controlled products should be placed upon the free list, and material reduction should be made in the tariff upon the necessities of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reduction should be made in such other schedules as may be necessary to restore the tariff to a revenue basis. Existing duties have given to the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and paper, thus imposing a tax upon the spread of knowledge. We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber and logs, and that these articles be placed upon the free list.

1912.

We declare it to be a fundamental principle of the Democratic Party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered. The high Republican tariff is the principal cause of the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of the necessities of life to them, but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets. In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries. We denounce the

Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff. We favor the immediate downward revision of the existing high, and in many cases prohibitive, tariff duties, insisting that material reductions be speedily made upon the necessities of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list. We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

To extend a position of trust in the spirit of distrust is not calculated to encourage competent men to accept public service.—Hon. Charles Nagel, Secretary of Commerce and Labor.

The Republican Party stands now as ever, for honest money and a chance to earn it by honest toil.—From an address by Hon. Wm. McKinley before the Marquette Club, Chicago, February 12, 1896.

Protection saves to the world the useless expense and labor of shipping products from one country to another and turns these into productive sources of wealth.—Judge William Lawrence, of Ohio, in the "American Economist."

It is as much our imperative duty to protect capital and labor in the free and proper exercise of their functions as it is to restrain and forbid the encroachments of wrong.—Hon. C. W. Fairbanks, at St. Paul, Minn., August 31, 1903.

A railroad company engaged in interstate commerce should not be permitted, therefore, to issue stock or bonds and put them on sale in the market except after a certificate by the Interstate Commerce Commission that the securities are issued with the approval of the commission for a legitimate railroad purpose.—Hon. Wm. H. Taft, at Columbus, Ohio.

In spite of the general comfort, there have been made manifest by signs not to be misunderstood, a quickening of the public conscience and a demand for the remedy of abuses, the outgrowth of this prosperity, and for a higher standard of business integrity. Every lover of his country should have a feeling of pride and exaltation in this evidence that our society is still sound at the core.—Hon. Wm. H. Taft, at Columbus, Ohio.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

A higher standard for our judiciary; fewer laws and better enforcement of them; a wider public appreciation of the essentials of democracy and of the principles upon which this Government was founded, will help us to the solution of the problems before us, and as the very basis and foundation of our national life, we must conserve those forces which insure the efficiency of our schools and safeguard the purity of our homes.—Hon. George B. Cortelyou, at Urbana, Ill., June 7, 1905.

The proposition of the democrats is that if you reduce the tariff you will reduce prices. That is susceptible of many easy tests. The tariff just passed put hides of cattle upon the free list and reduced the duty on boots and shoes from 15 to 20 per cent. On the Democratic theory that prices depend on the tariff there ought to have been a corresponding fall in the prices. As a matter of fact, hides rose after the passage of the last tariff bill, and boots and shoes have certainly not declined. We had to pay more for our Christmas dinner this year than last. If we wanted turkey we found that it cost more than a year ago. Tariff, the Democrats will tell you. How could it have been? The duty on turkeys was not changed. Chickens—the duty on chickens was not changed. How could no change in the tariff have made a change in the price? Beef—beef is advancing. The tariff, of course, say the Democrats; but the tariff on beef was reduced 25 per cent. Ham and bacon—we know that pork in all its forms is rising. The tariff reduced the duty on hams and bacon 20 per cent. Tea and coffee—they are both on the free list, where they were before. Sugar and salt—the duty on sugar is unchanged; the duty on salt is reduced. Vegetables—the duty has been changed on none except on peas and cabbages, and those are reduced. Lard has advanced from 11 to 18 cents in Washington; but the duty on lard was reduced 25 per cent.—Senator Lodge.

STATISTICAL STATEMENTS.

Imports of merchandise into the United States, showing the percentage thereof free of duty, customs receipts, and average ad valorem rate of duty, during the 35 months' operation of the Payne Tariff Law, August 5, 1909, to June 30, 1912, compared with like results under the entire operation of the McKinley, Wilson, and Dingley Tariffs, respectively:

Entire period of—	Imports.			Per cent free.	Customs receipts.	Average ad valorem on—	
	Free.	Dutiable	Total.			Dutiable	Total imports.
McKinley Law. (a) 47 months.....	Million. \$1,642.1	Million. \$1,454.0	Million. \$3,096.0	53.0	Million. \$684.8	Per cent 47.1	Per cent 22.1
Monthly average.....	34.9	30.9	65.8	-----	14.6	-----	-----
Wilson Law. (b) 35 months.....	1,080.4	1,132.7	2,213.1	48.8	485.0	42.8	21.9
Monthly average.....	30.9	32.4	63.3	-----	13.9	-----	-----
Dingley Law. (c) 144 months.....	5,428.5	6,821.5	12,250.0	44.3	3,121.8	45.8	25.5
Monthly average.....	37.7	47.4	85.1	-----	21.7	-----	-----
Payne Law. (d) 35 months.....	2,368.2	2,256.9	4,625.1	51.2	928.8	41.2	20.1
Monthly average.....	67.7	64.5	132.2	-----	26.5	-----	-----

(a) Includes October 1 to 5, 1890, under Act of 1883; and August 28 to 31, 1894, under Act of 1894.

(b) Excludes last four days of August, 1894, included under McKinley Law, and includes July 24 to 31, 1897, under Act of 1897.

(c) Excludes last eight days of July, 1897, included under Wilson Law; excludes August 1 to 5, 1909, included under Payne Law.

(d) Includes August 1 to 5, 1909, under Act of 1897.

NOTE.—A reduction of about \$55,000,000 was caused in customs receipts under the McKinley Act, due to reduced imports in the closing months under that Act in anticipation of passage of Wilson Tariff, whose revenues were correspondingly increased. Likewise a reduction of about \$45,000,000 was caused in customs receipts under the Dingley Law, due to heavy imports in the closing months under the Wilson Law, whose revenues were correspondingly increased. The high percentage of free imports under the McKinley Law was largely due to the fact that under that Act sugar was on the free list. Of merchandise other than sugar imported under the McKinley Law, 39.56 per cent was free of duty.

Department of Commerce and Labor,
Bureau of Statistics,
July 15, 1912.

Looking over our whole broad land there was never a greater proportion of home owners, never a higher level of comfort among America's workers.—Samuel Gompers, in "American Federationist."

There can be no question whatever that to abandon representative government and to take up in its place legislation by direct vote is to return from a high stage of evolution to a lower and more primitive one.—Senator Lodge.

The high cost of living, of which 50 per cent. is consumed in food, 25 per cent. in clothing and 25 per cent. in rent and fuel, has not been produced by the tariff, because the tariff has remained the same while the increases have gone on. It is due to the change of conditions the world over. Living has increased everywhere in cost, in countries where there is free trade and in countries where there is protection.—President Taft, at Winona.

Total values of imports entered for consumption and duties collected thereon from 1877 to 1911.

[From Statistical Abstract.]

Year ending June 30—	Total.	Per cent of free.	Amounts of duty collected.	Average ad valorem rates of duty on—		Duty collected per capita.	Im- ports per capita.
				Dutiable.	Free and dutiable.		
	Dollars.		Dollars.	Per cent.	Per cent.	Dollars.	Dollars.
1877---	439,823,537	31.94	128,428,343	42.84	29.20	2.77	9.49
1878---	438,613,267	32.20	127,195,159	42.71	29.00	2.67	9.21
1879---	439,872,719	32.46	133,395,436	44.82	30.33	2.73	9.00
1880---	627,526,470	33.11	182,747,654	43.46	29.12	3.64	12.51
1881---	650,618,282	31.09	193,800,880	43.27	29.79	3.78	12.68
1882---	716,717,389	29.39	216,138,916	42.61	30.16	4.12	13.65
1883---	701,220,180	29.50	210,637,293	42.41	30.04	3.92	13.05
1884---	667,751,827	31.61	190,282,836	41.57	28.50	3.47	12.16
1885---	579,335,642	33.22	178,151,601	45.83	30.75	3.17	10.32
1886---	624,049,388	33.69	189,410,448	45.53	30.35	3.30	10.87
1887---	679,644,657	33.74	214,222,310	47.08	31.52	3.65	11.58
1888---	707,091,408	33.78	216,042,256	45.61	30.55	3.60	11.79
1889---	734,681,107	34.05	220,576,989	45.11	30.02	3.60	11.99
1890---	765,708,693	33.71	226,540,037	44.39	29.59	3.60	12.16
1891---	845,483,252	44.83	216,885,701	46.26	25.65	3.40	13.24
1892---	804,297,933	55.79	174,124,270	48.69	21.65	2.67	12.36
1893---	832,732,993	51.93	199,143,678	49.56	23.79	3.00	12.55
1894---	636,614,420	59.53	129,558,892	50.00	20.56	1.92	9.32
1895---	731,162,090	51.55	149,450,608	41.75	20.44	2.17	10.61
1896---	759,694,084	48.56	157,013,506	39.95	20.67	2.23	10.81
1897---	789,251,030	48.39	172,760,361	42.17	21.89	2.41	11.02
1898---	587,153,700	49.65	145,438,385	48.80	24.77	1.99	8.05
1899---	685,441,892	43.72	202,072,050	52.07	29.48	2.72	9.22
1900---	830,519,252	44.16	229,360,771	49.24	27.62	3.02	10.93
1901---	807,763,301	41.98	233,556,110	49.64	28.91	2.96	10.25
1902---	899,793,754	44.01	251,453,155	49.79	27.95	3.13	11.18
1903---	1,077,960,110	43.38	280,752,416	49.03	27.85	3.42	12.28
1904---	981,822,559	46.26	258,161,130	48.77	26.29	3.16	11.73
1905---	1,087,118,133	47.56	258,426,295	45.24	23.77	3.03	12.74
1906---	1,213,417,649	45.22	293,910,396	44.16	24.22	3.38	13.95
1907---	1,415,402,285	45.35	329,480,048	42.55	23.28	3.72	15.97
1908---	1,183,120,665	44.43	282,582,894	42.94	23.88	3.13	13.11
1909---	1,281,641,735	46.77	294,667,054	43.15	22.99	3.21	13.94
1910---	1,547,109,137	49.21	326,561,683	41.52	21.11	3.50	16.54
1911---	1,527,945,652	50.85	309,965,691	41.22	20.29	3.25	16.05

We are not a nation of classes, but of sturdy, free, independent and honorable people, despising the demagogue and never capitulating to dishonor.—McKinley's letter of acceptance, 1896.

The State is potent. Corporations and combinations which derive their breath from the State are within its absolute and perpetual control.—Hon. C. W. Fairbanks, at St. Paul, Minn., August 31, 1903.

Vigorous action and measures to stamp out existing abuses and effect reform are necessary to vindicate society as at present constituted. Otherwise, we must yield to those who seek to introduce a new order of things on a socialistic basis.—Hon. Wm. H. Taft, at Kansas City, Mo.

Any unjust discrimination in the terms upon which transportation of freight or passengers is afforded an individual or a locality paralyzes and withers the business of the individual or the locality exactly as the blinding of the arteries and veins leading to a member of the human body destroys its life.—Hon. Wm. H. Taft, at Columbus, Ohio.

The right of railway corporations to a fair and profitable return upon their investments and to a reasonable freedom in their regulations must be recognized; but it seems only just that, so far as its constitutional authority will permit, Congress should protect the people at large in their interstate traffic against acts of injustice which the state governments are powerless to prevent.—President Arthur.

Much money has been spent on sea harbors and the mouths of our rivers at the sea, but comparatively little upon the internal waterways which nature has furnished to the country, and which form highways of travel from one border of it to the other. The call from the country for the development of a well-thought-out plan for the improvement of all these waterways is so emphatic that it cannot longer be resisted.—Hon. Wm. H. Taft, at Kansas City, Mo.

Average import prices in the month of March, 1897 to 1912.

[Represents prices in foreign countries.]

Articles	March—					
	1897	1900	1906	1910	1911	1912
Chemicals, drugs, etc.:						
Bark, cinchona, etc.-----lb.	\$0.043	\$0.193	\$0.085	\$0.081	\$0.076	\$0.072
Gums, Camphor, crude-----lb.	.239	.294	.360	.306	.293	.295
Potash, nitrate of-----lb.	.020	.027	.033	.029	.032	.036
Cotton, raw-----	.112	.136	.151	.186	.208	.178
Manufactures of: Cloth, -						
not bleached-----sq. yd.	.089	.094	.123	.083	.107	.105
Fibres, vegetables, etc.:						
Flax-----ton.	219.54	296.18	278.79	300.56	335.15	357.56
Hemp-----ton.	126.00	133.65	176.80	167.21	178.40	235.27
Istle or tampico fiber-----ton.	49.95	73.30	89.71	68.06	77.58	91.81
Jute-----ton.	29.82	38.59	64.25	44.39	74.31	57.54
Manila-----ton.	79.67	135.84	183.88	114.31	125.60	122.97
Sisal grass-----ton.	59.85	166.23	148.70	107.40	100.81	110.71
Hides and skins, other than						
fur skins:						
Goatskins-----lb.	.220	.272	.300	.284	.239	.234
All others, except hides of						
cattle-----lb.	.108	.174	.182	.182	.202	.181
Hides of cattle-----lb.	.117	.130	.146	.153	.133	.152
India rubber-----lb.	.504	.660	.766	1.15	1.06	.836
Iron and steel and manufac-						
tures of:						
Pig iron-----ton.	22.90	36.21	28.81	24.30	32.32	36.36
Tin plates, terne plates,						
etc-----lb.	.023	.035	.030	.029	.034	.061
Silk, raw-----lb.	2.87	4.63	3.25	3.13	3.49	3.19
Sugar (Cane): Not above No.						
16-----	.020	.027	.0292	.026	.022	.032
Above No. 16-----lb.	.024	.027	.032	.041	.034	.045
Tin in bars, blocks, pigs,						
etc-----lb.	.128	.254	.342	.314	.399	.414
Wood: Boards, planks, etc.						
-----M ft.	10.27	12.04	17.23	18.77	19.70	17.81
Wool: Class 1—clothing-----lb.	.171	.239	.213	.255	.237	.211
Class 2—combing-----lb.	.200	.212	.288	.263	.254	.244
Class 3—carpet-----lb.	.111	.097	.138	.137	.126	.124
Manufactures of: Cloths-----lb.	.567	1.22	1.09	1.07	1.17	1.150
Zinc or spelter, in blocks,						
pigs or old-----lb.	.033	.053	.036	.046	.051	.040

Progress of manufacturing in the United States, 1850 to 1910.

[From official reports of Census Office.]

Years.	Number of estab-lish-ments.	Average number of wage earners.	Wages paid.	Value of product.
1850 -----	123,025	957,059	\$236,755,464	\$1,019,106,616
1860 -----	140,433	1,311,246	378,878,966	1,885,861,676
1870 -----	252,148	2,053,906	775,584,343	4,232,354,442
1880 -----	253,852	2,732,595	947,953,795	5,369,579,191
1890 -----	355,415	4,251,613	1,891,228,321	9,372,437,283
1900* -----	512,254	5,308,406	2,322,333,877	13,004,400,143
1905* -----	216,262	5,470,321	2,611,540,532	14,802,147,087
1910 -----	268,491	6,615,046	3,427,037,884	20,672,051,870

* Exclusive of statistics for governmental establishments and for Hawaii. Figures for 1905 and 1910 do not include neighborhood industries and hand trades.

Well-paid wage-earners are generous consumers.—Former Senator Casey, in the "American Economist."

Our free trade friends have told us for years and years that if we do not buy we cannot sell, but we have gone on doing both at a wondrously increasing rate, but selling just enough more than we buy to meet all foreign obligations and keep our gold as a bulwark of redemption. That has been the Republican method, and that is going to continue to be the Republican method.—Hon. James S. Sherman.

Relative conditions of prosperity in the manufacturing and non-manufacturing sections of the United States, respectively.

[Manufacturing section includes the New England and Middle States, and Maryland, District of Columbia, Ohio, Indiana, Illinois, Michigan, and Wisconsin.]

[From Census of 1910.]

	Manufacturing section.	Other States.
Per cent of total population of United States.....	49.86	50.04
Per cent of total area of United States.....	14.1	85.9
Gross value of manufactures in 1909.....	\$15,412,363,000	\$5,259,689,000
Per cent of total manufactures produced in section.....	74.56	25.44
Salaries and wages paid in manufactures in 1909.....	\$3,341,297,000	\$1,024,316,000
Number of persons employed in manufactures in 1909.....	5,710,890	1,967,688
Average value per acre of all farm lands.....	\$49.65	\$27.74
Average value per acre of all lands and buildings.....	\$66.00	\$32.47
Average value of buildings per improved acre.....	\$23.59	\$9.37
Average value per head of milch cows.....	\$39.18	\$30.78
Average value per head of horses.....	\$115.57	\$100.53
Deposits in savings banks, total.....	\$3,428,630,913	\$641,855,334
Deposits in savings banks, per capita.....	\$74.62	\$13.95
Deposits in all banks, total.....	\$11,263,118,622	\$3,981,017,144
Deposits in all banks, per capita.....	\$245.13	\$86.50
Bank clearings, total.....	\$146,468,134,000	\$22,518,530,000
Bank clearings, average per capita.....	\$3,187.70	\$489.27
Banking resources, total.....	\$16,099,403,523	\$6,295,220,899
Banking resources, average per capita.....	\$350.38	\$136.78
Salaries paid teachers in public schools.....	\$145,797,511	\$108,117,659
Newspapers published, number.....	10,478	12,135

Importation of manufactures into United Kingdom and United States, respectively, at quinquennial years, 1870 to 1911.

[From official statistics of the respective governments.]

Year	Into the United Kingdom Million dollars	Into the United States Million dollars
1870.....	277	229
1875.....	354	241
1880.....	405	307
1885.....	406	261
1890.....	478	348
1895.....	483	296
1900.....	630	337
1905.....	708	430
1907.....	763	633
1908.....	705	528
1909.....	723	521
1910.....	773	653
1911.....	816	649

Exportation of manufactures from United Kingdom and United States, respectively, at quinquennial years, 1870 to 1911.

[From official statistics of the respective governments.]

Year	From the United Kingdom Million dollars	From the United States Million dollars
1870.....	888	70
1875.....	979	102
1880.....	971	122
1885.....	913	150
1890.....	1,119	179
1895.....	911	205
1900.....	1,125	485
1905.....	1,327	611
1907.....	1,656	740
1908.....	1,467	751
1909.....	1,471	671
1910.....	1,004	767
1911.....	1,141	908

Exports from the United States to the countries which protested against the Dingley tariff bill, showing increase in exports after enactment of the law.

Countries	Year ending June 30—		
	1896	1898	1911
United Kingdom -----	\$105,741,339	\$540,940,605	\$576,613,974
Germany -----	97,897,197	155,039,972	2,7,495,814
Netherlands -----	39,022,899	64,274,524	96,103,769
Belgium -----	27,070,625	47,619,201	45,016,622
Italy -----	19,143,606	23,290,858	60,580,766
Japan -----	7,689,685	20,385,041	36,721,409
Denmark -----	6,557,448	12,697,421	13,196,950
China -----	6,921,933	9,992,894	19,287,836
Argentina -----	5,979,046	6,429,070	43,918,511
Austria-Hungary -----	2,439,651	5,697,912	19,514,787
Greece -----	191,046	127,559	627,320
Switzerland -----	32,954	263,970	704,808
Total to countries-----	\$618,687,429	\$886,759,027	\$1,199,782,566

Coal production and consumption in the United Kingdom, Germany, and the United States, for the years named.

Years.	United Kingdom.		Germany.		United States.	
	Production in gross tons of 2,240 lbs.	Consumption in gross tons of 2,240 lbs.	Production in gross tons of 2,240 lbs.	Consumption in gross tons of 2,240 lbs.	Production in gross tons of 2,240 lbs.	Consumption in gross tons of 2,240 lbs.*
1875-----	133,306,000	115,304,000	37,049,000	46,810,000	46,139,000	47,892,000
1880-----	146,969,000	123,067,000	58,185,000	56,102,000	63,823,000	60,670,000
1885-----	159,351,000	128,585,000	72,513,000	69,612,000	99,250,000	106,832,000
1890-----	181,614,000	142,954,000	87,881,000	89,364,000	140,867,000	125,117,481
1895-----	189,661,000	146,754,000	102,317,000	104,204,000	172,426,000	149,901,000
1900-----	225,181,000	166,776,000	147,423,000	147,439,000	240,789,000	221,067,000
1901-----	219,047,000	161,264,000	150,603,000	149,736,000	261,875,000	256,374,000
1902-----	227,095,000	166,694,000	148,222,000	146,436,000	269,277,000	266,143,000
1903-----	230,334,000	166,529,000	159,892,000	157,250,000	319,068,000	312,009,000
1904-----	232,428,000	166,606,000	166,775,000	163,773,000	314,122,000	306,136,000
1905-----	236,129,000	168,968,000	171,067,000	170,248,000	350,645,000	342,571,000
1906-----	251,068,000	174,279,000	190,482,000	188,626,000	369,783,000	359,131,000
1907-----	267,831,000	182,643,000	202,476,433	205,045,000	428,896,000	365,627,724
1908-----	261,529,000	176,223,000	211,881,226	210,927,000	371,288,000	423,061,172
1909-----	263,774,000	177,737,000	213,997,263	206,616,000	411,442,000	266,403,504
1910-----	264,433,000	179,891,000	218,788,500	213,156,000	447,854,000	397,991,689
1911-----	a271,879,000					

* Inclusive of bunker coal laden on vessels in the foreign trade.

a Preliminary figures for 1911.

Note.—The amount of British bunker coal loaded on vessels in the foreign trade not found prior to 1875.

I believe in the doctrine of protection because the facts of our national experience thoroughly exemplify its truth. No great American statesman, except the half-forgotten leaders of the slave power, have disowned the protective system.—Hon. J. P. Dolliver, in the "American Economist."

Millions of American wage-workers now have a shorter work-day, by several hours, than they had thirty years ago, and the present organization of employing capital has almost wholly eliminated the uncertainty formerly experienced by wage-workers for small employers, as to getting their pay when due.—Samuel Gompers, in "American Federationist," June, 1910.

Constantly increasing wages, on the whole, during the present generation, considerably exceeding the rise in average prices meantime, can be shown by the records of the wage-scales for the workers, organized and unorganized, in nearly all the occupations now represented by international unions in the American Federation of Labor.—Samuel Gompers, in "American Federationist."

Growth in coal production in free-trade Great Britain, compared with that of the protection countries, United States, Germany, and France; also the total coal production of the world and the per cent supplied by the United States at quinquennial periods from 1870 to 1895, and annually from 1896 to 1910, in tons of 2,000 pounds.

(From reports of the United States Geological Survey.)

Year.	United States.	Great Britain.	Germany.	France.	Total production of the world.	Per cent of U.S.
	Short tons.	Short tons.	Short tons.	Short tons.	Short tons.	
1870-----	33,035,550	123,682,935	37,488,312	14,530,716	234,850,068	14.07
1875-----	52,348,320	149,303,263	52,703,970	18,694,916	308,479,177	16.97
1880-----	71,481,570	164,605,738	65,177,634	21,346,124	369,413,780	20.62
1885-----	111,160,295	178,473,588	81,227,255	21,510,359	447,783,802	24.82
1890-----	157,770,963	203,408,403	98,398,500	28,756,638	563,693,232	27.99
1895-----	193,117,530	212,320,725	114,561,318	30,877,922	644,177,076	29.98
1896-----	191,986,357	218,804,611	123,943,159	32,167,270	664,001,718	28.92
1897-----	200,229,199	226,385,523	132,762,882	33,938,987	697,213,515	28.72
1898-----	219,976,267	226,301,058	144,283,196	35,056,426	738,129,608	29.80
1899-----	253,741,192	246,506,155	149,719,766	36,215,026	801,976,021	31.63
1900-----	269,634,027	252,203,056	164,805,202	36,511,536	846,041,848	31.88
1901-----	293,299,816	245,332,578	168,217,082	35,596,586	870,711,044	33.69
1902-----	301,590,439	254,346,447	165,826,496	33,286,146	888,453,950	33.95
1903-----	357,356,416	257,974,605	179,076,630	38,466,873	972,195,531	35.78
1904-----	351,816,398	260,319,665	186,785,378	37,663,349	983,385,935	37.89
1905-----	392,722,635	264,464,408	191,576,074	38,951,360	1,036,480,849	37.05
1906-----	414,157,278	281,196,743	222,350,526	37,823,931	1,117,848,143	37.05
1907-----	480,363,424	299,970,677	226,773,605	40,708,215	1,223,165,248	39.27
1908-----	415,842,698	292,887,144	237,806,973	41,471,348	1,169,071,160	35.57
1909-----	460,814,616	295,427,229	239,676,934	41,856,169	1,229,176,668	37.49
1910-----	501,596,378	296,007,609	245,043,120	42,516,232	1,278,577,812	39.23

* a Latest available figures are used in making up totals for 1910. Data are lacking for certain countries, notably Austria, whose annual production is at least 50,000,000 tons.

The world's production of pig iron from 1800 to 1911.

[In gross tons of 2240 pounds.]

Year.	United States.	Great Britain.	Germany.	France.	Various.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1860-----	820,000	3,830,000	530,000	900,000	1,100,000	7,180,000
1870-----	1,665,000	5,960,000	1,390,000	1,180,000	1,710,000	11,905,000
1880-----	3,835,000	7,750,000	2,730,000	1,730,000	2,090,000	18,135,000
1885-----	4,050,000	7,420,000	2,690,000	1,630,000	2,310,000	18,100,000
1889-----	7,673,000	8,250,000	4,530,000	1,720,000	3,060,000	25,163,000
1895-----	9,446,000	7,703,000	5,465,000	2,066,000	4,247,000	28,867,000
1896-----	8,623,000	8,660,000	6,271,000	2,302,000	5,001,000	30,857,000
1897-----	9,652,000	8,796,000	6,771,000	2,444,000	5,267,000	32,930,000
1898-----	11,773,000	8,610,000	7,196,000	2,485,000	5,806,000	35,872,000
1899-----	13,620,000	9,421,000	8,013,000	2,537,000	6,464,000	40,055,000
1900-----	13,789,000	8,960,000	8,384,000	2,671,000	6,686,000	40,490,000
1901-----	15,878,000	7,929,000	7,754,000	2,351,000	6,886,000	40,798,000
1902-----	17,821,000	8,680,000	8,395,000	2,367,000	6,876,000	44,139,000
1903-----	18,069,000	8,935,000	9,860,000	2,706,000	6,677,000	46,277,000
1904-----	16,497,000	8,694,000	9,899,000	2,927,000	7,322,000	45,339,000
1905-----	2,992,000	9,698,000	10,703,000	3,098,000	7,569,000	53,900,000
1906-----	25,307,000	10,109,000	12,099,000	3,267,000	7,360,000	58,142,000
1907-----	25,731,000	10,114,281	12,672,000	3,532,000	7,591,000	59,690,000
1908-----	15,936,000	9,056,851	11,614,754	3,347,027	7,791,163	47,745,800
1909-----	25,795,000	9,531,987	12,445,111	3,517,368	a8,738,306	a60,027,772
1910-----	27,304,000	10,012,098	14,599,812	4,001,781	b9,502,236	b65,419,927
1911-----	23,650,000					

a The figures included for Spain cover the year 1908.

b The figures included for Hungary cover the year 1909.

Note.—Official figures of the respective national statistical offices of the United States, the United Kingdom, Germany and France. Figures for all other countries taken from the French and Swedish Mineral Statistics.

The job hunts the man, not the man the job. When that condition exists labor is always better rewarded.—President McKinley.

Selling price of iron ore and price of pig iron in the United States at date of buying movement, 1897 to 1912.

[Furnished by Mr. George Smart, Editor of the Iron Trade Review.]

Season	Date buying movement	Season Iron Ore Prices				Iron Prices, Valley.	
		O. R. Bess.	Mes. Bes.	O. R. non-B.	Mes. non-B.	Bess.	No. 2 Fdy.
1897	May 20, 1897	2.60	2.25	2.15	1.90	8.35	8.40
1898	March 20, 1898	2.75	2.25	1.85	1.75	9.55	9.80
1899	Feb. 1, 1899	3.00	2.40	2.15	2.00	10.30	9.75
1900	Dec. 15, 1899	5.50	4.50	4.25	4.00	21.15	22.15
1901	April 15, 1901	4.25	3.25	3.00	2.75	16.15	14.40
1902	Feb. 1, 1902	4.25	3.25	3.25	2.75	15.90	15.90
1903	March 20, 1903	4.50	4.00	3.60	3.20	21.50	21.65
1904	April 15, 1904	3.25	3.00	2.75	2.50	13.35	13.15
1905	Feb. 1, 1905	3.75	3.50	3.20	3.00	15.50	16.00
1906	Dec. 5, 1905	4.25	4.00	3.70	3.50	17.25	17.25
1907	Nov. 10, 1906	5.00	4.75	4.20	4.00	21.50	21.50
1908	June 15, 1908	4.50	4.25	3.70	3.50	16.00	15.00
1909	May 10, 1909	4.50	4.25	3.70	3.50	14.75	14.25
1910	Dec. 24, 1909	5.00	4.75	4.20	4.00	19.00	17.25
1911	April 21, 1911	4.50	4.25	3.70	3.50	15.00	13.75
1912	March 20, 1912	3.75	3.50	3.05	2.85	14.25	13.25

Production and Prices of Bessemer Steel Rails in the United States, 1867 to 1911.

Years.	Gross tons	Price.	Duty.
1867	2,277	\$166.00	45 per cent ad valorem to January 1, 1871.
1868	6,451	158.46	
1869	8,616	132.19	
1870	30,357	106.79	
1871	34,152	102.52	
1872	83,991	111.94	\$28.00 per ton from January 1, 1871, to August 1, 1872; \$25.20 from August 1, 1872, to March 3, 1875; \$28.00 from March 3, 1875, to July 1, 1883.
1873	115,192	120.58	
1874	129,414	94.28	
1875	259,699	68.75	
1876	368,269	59.25	
1877	385,865	45.58	
1878	491,427	42.21	
1879	610,682	46.21	
1880	852,196	67.52	
1881	1,187,770	61.08	
1882	1,284,067	48.50	\$17.00 per ton from July 1, 1883, to October 6, 1890.
1883	1,148,709	37.75	
1884	996,983	30.75	
1885	959,471	28.52	
1886	1,574,703	34.52	
1887	2,101,904	37.08	
1888	1,386,277	29.83	
1889	1,510,057	29.25	
1890	1,867,837	31.78	
1891	1,293,053	29.52	\$13.44 per ton from October 6, 1890, to August 28, 1894.
1892	1,537,583	30.00	
1893	1,129,400	28.12	
1894	1,016,013	24.00	
1895	1,299,628	24.33	
1896	1,116,958	28.00	
1897	1,644,520	18.75	
1898	1,976,702	17.62	
1899	2,270,585	28.12	
1900	2,383,654	32.29	\$7.84 per ton from August 28, 1894, to August 5, 1909.
1901	2,870,816	27.33	
1902	2,935,392	28.00	
1903	2,976,756	28.00	
1904	2,137,957	28.00	
1905	3,192,347	28.00	
1906	3,791,459	28.00	
1907	3,380,025	28.00	
1908	1,349,153	28.00	
1909	1,767,171	28.00	\$3.92 per ton from August 6, 1909, to date.
1910	1,834,442	28.00	
1911	1,138,633	28.00	

The American test should be the test of integrity, loyalty and incorruptible devotion, whether in the discharge of public or private business.—Address of Secretary Cortelyou, at the annual banquet of the Auburn Business Men's Association, Auburn, N. Y., Wednesday, April 22, 1908.

Wheat Production and Consumption of the United States and Production of the World.

Quantities of wheat produced in the United States and in the world, and of wheat and wheat flour exported and retained for consumption, 1877 to 1911; flour reduced to wheat at $4\frac{1}{2}$ bushels to barrel.

[From the Statistical Abstract.]

Year ending June 30— (a)	Production.	Exports of domestic.	Domestic retained for consumption.	Per capita consumption.	Value of crop per acre.	World's production.
	Bushels.	Bushels.	Bushels.	Bush.		Average crop.
1877-----	289,356,500	57,043,936	232,312,564	5.01	\$10.09	} 1,944,000,000
1878-----	364,196,146	92,071,726	272,154,520	5.72	14.65	
1879-----	420,122,400	150,502,506	269,619,894	5.58	10.15	
1880-----	448,756,630	180,304,180	268,452,450	5.35	15.27	
1881-----	498,549,868	186,321,514	312,228,354	6.09	12.48	
1882-----	383,280,090	121,892,389	261,387,701	4.98	12.12	} 2,115,000,000
1883-----	504,185,470	147,811,316	356,374,145	6.64	12.02	
1884-----	421,086,160	111,534,182	309,551,978	5.64	10.52	
1885-----	512,765,000	132,570,366	380,194,634	6.77	8.38	
1886-----	357,112,000	94,565,793	262,546,207	4.57	8.05	
1887-----	457,218,000	153,804,969	303,413,031	5.17	8.54	} 2,434,000,000
1888-----	456,329,000	119,624,344	336,703,656	5.62	8.25	
1889-----	415,868,000	88,600,742	327,267,258	5.34	10.32	
1890-----	490,560,000	109,430,467	381,129,533	6.05	8.98	
1891-----	399,262,000	106,181,316	293,080,684	4.59	9.28	
1892-----	611,780,000	225,665,812	386,114,188	5.94	12.86	} 2,481,805,000
1893-----	515,949,000	191,912,635	324,036,365	4.89	8.35	
1894-----	396,131,725	164,283,129	231,848,596	3.44	6.16	
1895-----	460,267,416	144,812,718	315,454,698	4.59	6.48	
1896-----	467,102,947	126,443,963	340,658,979	4.85	6.99	
1897-----	427,634,346	145,124,972	282,559,374	3.95	8.97	} 2,236,268,000
1898-----	530,149,168	217,306,004	312,843,164	4.29	10.86	
1899-----	675,148,705	222,618,420	452,530,285	6.09	8.92	
1900-----	547,303,846	186,096,762	361,207,084	4.75	7.17	
1901-----	522,229,505	215,990,073	306,239,432	3.88	7.61	
1902-----	748,460,218	234,772,515	513,687,703	6.39	9.37	} 3,090,116,000
1903-----	670,063,008	202,905,598	467,157,410	5.69	9.14	
1904-----	637,821,835	120,727,613	517,094,222	6.18	8.96	
1905-----	552,399,517	44,112,910	508,286,607	5.99	11.58	
1906-----	692,979,489	97,609,007	595,370,482	6.85	10.83	
1907-----	735,260,970	146,700,425	588,560,545	6.64	10.37	} 3,128,604,000
1908-----	634,087,000	163,043,669	471,043,331	5.22	12.26	
1909-----	664,602,000	114,268,468	550,333,532	5.99	12.97	
1910-----	683,349,697	417,364,318	595,985,379	6.38	15.18	
1911-----	635,121,000	69,311,760	565,809,240	5.96	12.27	

a The production and value per acre relate to the calendar year preceding the fiscal year.

As a result in a larger degree of our protective tariff system, the United States has become one of the foremost nations of the world.—Hon. S. M. Cullom.

No men living are more worthy to be trusted than those who toil up from poverty; none less inclined to take or touch aught which they have not honestly earned.—Lincoln.

The most casual observer must have perceived the rapid improvement in the commercial interests of the country which followed the enactment of the Dingley law, an improvement which has steadily increased in degree notwithstanding the adverse influence of actual war.—Hon. C. W. Fairbanks, in United States Senate, June 3, 1898.

By practically abolishing the Tariff Board the Democrats stultify themselves, for they voted for its creation, and have always protested most loudly against the old system of committee hearings as a means of ascertaining the facts on which duties should be based. They now leave no alternative to a return to that discredited system.—Portland "Oregonian."

I am a protectionist because facts confront us, not theories. I have seen the wage-earners of Great Britain and continental Europe; know how they live; that they are homeless and landless as far as ownership is concerned; that they are helpless and hopeless as to any brighter future for themselves or their children; that in their scant wages there is no margin for misfortune and sickness, pauperism being the only refuge.—Hon. William P. Frye.

Production, farm value, and value per bushel of corn, wheat, and oats, 1885 to 1911.

Year.	Corn.		Wheat.		Oats.	
	Total.		Total.		Total.	
	Production.	Farm value per bushel Dec. 1.	Production.	Farm value per bushel Dec. 1.	Production.	Farm value per bushel Dec. 1.
	Bushels.	Cents.	Bushels.	Cents.	Bushels.	Cents.
1885-----	1,936,176,000	32.8	357,112,000	77.1	629,409,000	28.5
1886-----	1,665,441,000	36.6	457,218,000	68.7	624,134,000	29.8
1887-----	1,456,161,000	44.4	456,329,000	68.1	659,618,000	30.4
1888-----	1,987,790,000	34.1	415,868,000	92.6	701,735,000	27.8
1889-----	2,112,892,000	28.3	490,560,000	69.8	751,515,000	22.9
1890-----	1,489,970,000	50.6	399,262,000	83.8	523,621,000	42.4
1891-----	2,060,154,000	40.6	611,780,000	83.9	738,394,000	31.5
1892-----	1,628,464,000	39.4	515,949,000	62.4	661,035,000	31.7
1893-----	1,619,496,131	36.5	396,131,725	53.8	638,854,850	29.4
1894-----	1,212,770,052	45.7	460,267,416	49.1	662,036,928	32.4
1895-----	2,151,138,580	25.3	467,102,947	50.9	824,443,537	19.9
1896-----	2,283,875,165	21.5	427,684,346	72.6	707,346,404	18.7
1897-----	1,902,967,933	26.3	530,149,168	80.8	698,767,933	21.2
1898-----	1,924,184,660	28.7	675,148,705	58.2	730,906,643	25.5
1899-----	2,073,143,933	30.3	547,303,846	58.4	796,177,713	24.9
1900-----	2,105,102,516	35.7	522,229,505	61.9	809,125,989	25.8
1901-----	1,522,519,891	60.5	748,460,218	62.4	736,808,724	39.9
1902-----	2,523,648,312	40.3	670,063,008	63.0	987,842,712	30.7
1903-----	2,244,176,925	42.5	637,821,835	69.5	784,094,199	34.1
1904-----	2,467,480,934	44.1	552,399,517	92.4	894,595,552	31.3
1905-----	2,707,993,540	41.2	692,979,489	74.8	953,216,197	29.1
1906-----	2,927,416,091	39.9	735,260,970	66.7	964,904,522	31.7
1907-----	2,592,320,000	51.6	634,087,000	87.4	754,443,000	44.3
1908-----	2,668,651,000	60.6	664,602,000	92.8	807,156,000	47.2
1909-----	2,552,189,630	57.9	633,349,697	99.0	1,007,129,000	40.5
1909-----	2,552,189,630	57.9	633,349,697	98.6	1,007,129,000	40.2
1910-----	2,886,260,000	48.0	635,121,000	88.3	1,186,341,000	34.4
1911-----	2,531,488,000	61.8	621,338,000	87.4	922,298,000	45.0

The American people will sustain with practical unanimity the action taken by President Taft in notifying the Russian Government that the treaty of 1832 will be abrogated.—New York "World" (Dem.).

The way to help labor is to provide it with steady work and good wages, and then to have those good wages always paid in good money.—Major McKinley, to delegation of workmen, August 24, 1896.

Our political campaigns must be conducted upon the high plane of principle, in which the fullest discussion of policies shall be encouraged, but in which misrepresentation and abuse shall have no part.—Postmaster-General Cortelyou, at the annual banquet of the Lincoln Republican Club, Grand Rapids, Mich., February 12, 1906.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

We shall continue our American system of protection developed and perfected by the Republican Party. We shall continue to raise a large portion of our revenues and at the same time protect our labor and industries by adequate and equitable duties on competing imports. We shall continue to maintain the highest wage scale on earth and keep our standard of living the best of all nations through the home market that is, and I believe always will be, the envy of the civilized world.—Hon. James S. Sherman.

Under our policy of free trade we have lost that commercial and industrial superiority we acquired under the policy of strict protection. Our policy of direct taxation bears heavily upon our industries and reacts on the working classes in reduction of wages and employment. Our agriculture has been ruined and our industries are struggling hard for existence. Other nations, under a policy of strict protection, are beating us in the race of competition, not only in neutral, but in our own markets.—Sir Guilford L. Molesworth on Free Trade in England.

Cotton production and manufacturing in the United States, also imports and exports of cotton manufactures.

[From the Statistical Abstract of the United States.]

	Total com- mer- cial crop	Taken for home con- sumption			Raw cotton imported	Exports of manu- factures of cotton	Imports of manu- factures of cotton
		By North- ern mills	By South- ern mills	Total			
In thousands of bales							
1884.....	5,713	1,537	340	1,877	7,019,492	11,885,211	29,074,026
1885.....	5,706	1,437	316	1,753	5,115,680	11,836,501	27,197,211
1886.....	6,375	1,781	381	2,162	5,072,334	13,959,934	29,709,266
1887.....	6,499	1,687	401	2,088	3,924,531	14,929,342	28,910,333
1888.....	7,047	1,805	456	2,261	5,497,592	13,013,159	28,917,799
1889.....	6,939	1,790	480	2,270	7,973,039	10,212,644	26,805,942
1890.....	7,297	1,780	545	2,325	8,606,040	9,969,377	29,918,055
1891.....	8,674	2,027	613	2,640	20,906,817	13,604,857	29,712,624
1892.....	9,018	2,172	684	2,856	28,663,769	13,226,277	28,323,841
1893.....	6,664	1,672	723	2,375	43,367,952	11,809,355	33,560,293
1894.....	7,532	1,580	711	2,291	27,705,949	14,340,886	22,346,547
1895.....	9,837	2,019	852	2,871	49,332,022	13,789,810	33,193,625
1896.....	7,147	1,605	900	2,505	55,350,520	16,837,396	32,437,504
1897.....	8,706	1,793	999	2,792	51,898,926	21,037,678	34,429,343
1898.....	11,216	2,211	1,254	3,465	52,660,363	17,024,092	27,267,300
1899.....	11,256	2,217	1,415	3,632	50,153,158	23,536,914	32,054,434
1900.....	9,422	2,047	1,597	3,644	67,398,521	24,003,087	41,296,239
1901.....	10,339	1,964	1,583	3,547	46,631,283	20,272,418	40,246,935
1902.....	10,768	2,066	2,017	4,083	98,715,680	32,108,362	44,460,126
1903.....	10,674	1,966	1,958	3,924	74,874,426	32,216,304	52,432,755
1904.....	10,002	2,246	1,889	3,935	48,840,590	22,403,713	49,524,246
1905.....	13,654	2,292	2,270	4,562	60,508,548	49,666,090	48,919,936
1906.....	11,234	2,335	2,292	4,627	70,963,633	52,844,033	63,043,322
1907.....	13,540	2,510	2,495	5,005	104,791,784	32,305,412	73,704,636
1908.....	11,441	1,885	2,079	3,964	71,072,855	25,177,758	68,379,781
1909.....	13,817	2,688	2,555	5,243	86,518,024	31,878,566	63,231,963
1910.....	10,513	2,012	2,244	4,256	86,037,691	33,897,097	68,052,731
1911.....	12,075	1,994	2,307	4,301	113,768,313	40,851,918	66,996,551

The theory of free trade between nations is as fallacious, impracticable and utterly absurd as is that of free love between families.—Hon. B. F. Jones.

Not open mints for the unlimited coinage of the silver of the world, but open mills for the full and unrestricted labor of the American workingmen.—Major McKinley's letter of acceptance.

Abating none of our interest in the home market, let us move out to new fields steadily and increase the sale for our products in foreign markets.—President McKinley, to Commercial Club, Cincinnati, Ohio, October 30, 1897.

I believe it is a good deal better to open the mills of the United States to the labor of America than to open the mints of the United States to the silver of the world.—Major McKinley, to his comrades of the Twenty-third Ohio Regiment, at Canton, August 12, 1896.

Any unjust discrimination in the terms upon which transportation of freight or passengers is afforded an individual or a locality paralyzes and withers the business of the individual or the locality exactly as the binding of the arteries and veins leading to a member of the human body destroys its life.—Hon. Wm. H. Taft, at Columbus, Ohio.

Instead of making a panic, the national policy of ending the lawlessness of corporations in interstate commerce, and of taking away their power of issuing, without supervision, stocks and bonds, will produce a change in their management and remove one fruitful cause for loss of public confidence.—Hon. Wm. H. Taft, to Merchants' and Manufacturers' Association, Boston, Mass.

But the most gratifying feature of this picture of banking and financial conditions in our country is the fact that deposits in savings banks—those institutions for the safe-keeping of the earnings of workingmen and widows and orphans and children of the country—have increased from \$550,000,000 in 1870 to \$3,500,000,000, in 1908. What say you business men of the future of a country whose workingmen and working women and children have three and a half billion dollars laid aside for a "rainy day."—O. P. Austin.

Production and average prices of middling cotton, and prices of the staple manufactures of cotton, in the New York market each year, from 1880 to 1910.

[From the Statistical Abstract.]

Calendar Year.	Total crop. a	Middling cotton, per pound. b	Standard sheetings, per yard.	Standard drillings, per yard. a	New York Mills bleached shirtings per yard.	Standard prints, per yard.	6-4 by 6-4 printing cloths, per yard.
	500-lb. Bales.	Cents	Cents	Cents	Cents	Cents	Cents
1880.....	6,605,750	11.51	8.51	8.51	12.74	7.41	4.51
1881.....	5,466,048	12.03	8.51	8.06	12.74	7.00	3.95
1882.....	6,949,756	11.56	8.45	8.25	12.95	6.50	3.76
1883.....	5,713,200	11.83	8.32	7.11	12.93	6.00	3.60
1884.....	5,682,000	10.88	7.28	6.86	10.46	6.00	3.36
1885.....	6,575,691	10.45	6.75	6.36	10.37	6.00	3.12
1886.....	6,505,087	9.28	6.75	6.25	10.65	6.00	3.31
1887.....	7,046,833	10.21	7.15	6.58	10.88	6.00	3.33
1888.....	6,938,290	10.03	7.25	6.75	10.94	6.50	3.81
1889.....	7,472,511	10.65	7.00	6.75	10.50	6.50	3.81
1890.....	8,652,597	11.07	7.00	6.75	10.90	6.00	3.34
1891.....	9,035,379	8.60	6.83	6.41	10.64	6.00	2.95
1892.....	6,700,365	7.71	6.50	5.60	10.25	6.25	3.39
1893.....	7,493,000	8.56	5.90	5.72	9.75	5.25	3.30
1894.....	9,901,251	6.94	5.11	5.07	9.50	4.99	2.75
1895.....	7,161,094	7.44	5.74	5.69	9.85	5.25	2.86
1896.....	8,532,705	7.93	5.45	5.48	9.50	4.66	2.60
1897.....	10,897,857	7.00	4.73	4.75	9.25	4.70	2.48
1898.....	11,189,205	5.94	4.20	4.10	8.00	3.96	2.06
1899.....	9,507,786	6.88	5.28	5.13	9.50	4.25	2.69
1900.....	10,245,002	9.25	6.05	5.95	10.75	5.00	3.21
1901.....	9,748,546	8.75	5.54	5.48	10.25	4.62	2.84
1902.....	10,784,473	9.00	5.48	5.52	10.50	5.00	3.11
1903.....	10,015,721	11.18	6.25	6.37	10.75	5.00	3.25
1904.....	13,697,310	11.75	7.18	7.31	10.59	5.00	3.44
1905.....	10,725,602	9.80	7.00	7.00	9.00	4.75	3.13
1906.....	12,305,265	11.50	7.25	7.37	10.93	5.12	3.63
1907.....	11,825,882	12.10	7.62	7.62	13.00	6.00	4.62
1908.....	13,432,131	10.62	6.75	7.15	11.54	5.37	3.50
1909.....	10,356,209	12.08	7.37	7.50	11.45	5.06	3.67
1910.....	11,965,962	15.11	7.87	8.00	12.00	5.62	3.87
1911.....	-----	13.01	7.93	8.06	11.10	5.24	3.54

a Years ending August 31. Compiled by Mr. A. B. Shepperson, of New York.

b Including 1881 and since, the price of standard drillings are net; raw cotton prices are also net for the entire period.

We shall always need protective duties as long as our people insist upon a higher standard of wages and scale of living than prevail abroad.—Jas. M. Swauk.

The influence of a free press must not be impaired, nor must the great body of American newspapers—among the noblest agencies of enlightenment and civilization—be judged by a few who have prostituted their high calling to ignoble uses.—Hon. George B. Cortelyou, at Urbana, Ill., June 7, 1905.

We want no slave labor. Two million men with their blood wiped away slavery forever. We want no labor, either white or black, in a virtual state of serfdom. Labor must be free, with all the prerogatives which pertain to freedom.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

It is easy and it often seems expedient to yield to the outcry of the hour; but what the thoughtful people of America demand of an official is that he shall set his face like flint against it if his conscience or his experience convinces him that it is a mistaken cry.—Hon. George B. Cortelyou, at Urbana, Ill., June 7, 1905.

The complaints that the courts are made for the rich and not for the poor has no foundation, in fact, in the attitude of the courts upon the merits of any controversy which may come before them, for the judges of this country are as free from prejudice in this respect as it is possible to be.—Hon. Wm. H. Taft, to the Civic Forum, New York City.

Report of the United States Government on sheep raising from 1878 to 1898, inclusive, and reports of the Department of Agriculture.

Year.	Number of sheep.	Average price per head.	Total Value.
The Morrill tariff:			
1878.....	38,123,800	\$2.07	\$79,023,984
1879.....	40,765,000	2.21	90,230,537
1880.....	43,576,899	2.39	104,070,759
1881.....	45,016,224	2.37	106,594,954
1882.....	49,237,291	2.53	124,365,835
The tariff of 1883:			
1883.....	50,616,626	2.37	119,902,706
1884.....	50,360,243	2.14	107,960,650
1885.....	48,322,331	1.91	92,443,867
1886.....	44,759,314	2.01	89,872,839
1887.....	43,544,755	2.05	89,279,926
1888.....	42,599,079	2.13	90,640,369
1889.....	44,336,072	2.27	100,659,761
The McKinley tariff:			
1890.....	43,431,136	2.50	108,397,447
1891.....	44,938,365	2.58	116,121,290
1892.....	47,273,553	2.66	125,909,264
The Wilson tariff, free trade in wool.			
1893.....	45,048,017	1.98	89,186,110
1894.....	42,294,064	1.58	66,685,767
1895.....	38,298,783	1.70	65,167,735
1896.....	36,818,643	1.82	67,020,942
The Dingley tariff:			
1897.....	37,656,960	2.46	92,721,133
1898.....	39,114,453	2.75	107,697,530
1899.....	41,883,065	2.93	122,665,913
1900.....	59,756,718	2.98	178,072,476
1901.....	62,039,091	2.65	164,446,001
1902.....	63,964,876	2.63	168,315,750
1903.....	51,630,144	2.59	133,530,009
1904.....	45,170,423	2.82	127,331,850
1905.....	50,631,619	3.54	179,066,144
1906.....	53,240,282	3.84	204,210,129
1907.....	53,631,000	3.88	211,736,000
1908.....	56,084,000	3.43	192,632,000
1909 (Census of April 15th).....	52,447,861	4.08	(a)
The Payne tariff:			
1910.....	53,633,000	3.91	209,535,000
1911.....	52,362,000	3.46	181,170,000

a The Bureau of Statistics, Department of Agriculture, estimated the value of sheep per head on January 1, 1910, at \$4.08.

You cannot help the farmer by coining more silver; he can only be helped by more consumers for his products.—Major McKinley, to delegation of farmers, August 24, 1896.

The man or party that would seek to array labor against capital and capital against labor is the enemy of both.—Major McKinley, at Canton, September 18, 1896.

It is true, as Peter Cooper well said: "No goods purchased abroad are cheap that take the place of our own labor and our own raw material."—H. K. Thurber, in the "American Economist."

The Republican party will continue to be a protectionist party and the American people a protectionist people. And that protection must apply to every section, every industry and every class.—Hon. James S. Sherman.

The success of the United States in material development is the most illustrious of modern times. It is my deliberate judgment that the prosperity of America is due mainly to its system of protective laws.—Prince Bismarck.

The rich manifestations of our commercial power, our military and naval strength, great and splendid as they are, are not to be counted when compared with the moral and intellectual grandeur of our people.—Hon. C. W. Fairbanks, at Baldwin, Kans., June 7, 1901.

I do not apologize for my position touching the protective policy. The Wilson bill was enacted into law. Some of us recalled what that bill did, or was the most natural factor in doing. It closed and bankrupted the entire industries of the country.—Ex-Speaker Cannon.

*The textile industries of the United States at decennial periods,
1850 to 1910.*

[Compiled from Census Report.]

	Year.	Number of estab- lish- ments.	Capital.	Num- ber of wage earn- ers.	Wages.	Cost of materials.	Value of products.
Wool manu- facture (a)	1850	1,760	\$32,516,366	47,763	-----	\$29,246,696	\$49,636,881
	1860	1,673	42,849,932	59,522	\$13,361,602	46,649,365	80,734,606
	1870	3,456	132,382,319	119,859	40,357,235	134,154,615	217,663,826
	1880	2,689	150,091,869	161,557	47,389,087	164,371,551	267,252,913
	1890	2,489	296,494,481	213,859	70,917,894	203,095,572	337,768,524
	1900	2,335	392,040,353	242,495	82,292,444	232,230,986	392,473,050
	1905	2,292	477,525,222	233,691	102,333,548	319,154,878	517,492,142
	1910	2,498	669,847,000	331,304	132,703,000	432,682,000	707,310,000
Cotton manufac-	1850	1,094	74,500,931	92,286	-----	34,835,056	61,869,184
	1860	1,091	98,535,269	122,028	23,940,108	57,285,534	115,681,774
	1870	956	140,706,291	135,835	39,044,132	111,736,936	177,489,730
	1880	756	208,280,346	174,659	42,040,510	102,206,347	192,090,110
	1890	905	354,020,842	218,376	66,024,538	154,912,979	267,981,724
	1900	1,055	467,240,157	302,861	86,689,752	176,551,527	339,200,320
	1905	1,154	613,110,655	315,874	96,205,796	286,255,303	450,467,704
	1910	1,324	822,233,000	378,880	132,859,000	371,009,000	628,392,000
Silk manu- facture --	1850	67	678,300	1,743	-----	1,093,860	1,809,476
	1860	139	2,926,980	5,435	1,050,224	3,901,777	6,607,771
	1870	86	6,231,130	6,649	1,942,286	7,817,559	12,210,662
	1880	382	19,125,300	31,337	9,146,705	22,467,701	41,033,045
	1890	472	51,007,537	49,382	17,762,441	51,004,425	87,298,454
	1900	483	81,082,201	65,416	20,982,194	62,406,665	107,256,258
	1905	624	109,556,621	79,601	26,767,943	75,861,188	133,288,072
	1910	852	152,158,000	99,037	38,570,000	107,767,000	196,912,000
Dyeing and finishing textiles --	1850	104	4,818,350	5,105	-----	11,540,347	15,454,430
	1860	124	5,718,671	7,097	2,001,523	5,006,435	11,716,463
	1870	292	18,374,503	13,066	5,221,538	99,539,992	113,017,537
	1880	191	26,223,981	16,698	6,474,364	13,664,295	32,297,420
	1890	248	38,450,800	19,601	8,911,720	12,385,220	28,900,460
	1900	298	60,643,104	29,776	12,726,316	17,953,137	44,963,331
	1905	360	88,708,576	35,563	15,469,205	19,621,253	50,847,545
	1910	426	114,093,000	44,046	21,227,000	35,261,000	83,556,000
Flax, hemp and jute--	1890	162	27,731,649	15,519	4,872,339	26,148,344	37,313,021
	1900	141	41,991,762	20,903	6,331,741	32,197,885	47,601,607
	1905	133	54,423,531	24,508	8,580,785	44,890,546	62,939,329
	(c) 1910	164	76,020,000	25,820	9,133,000	40,915,000	61,020,000
Combined textiles --	1850	3,025	112,513,947	146,877	-----	76,715,959	128,769,971
	1860	3,027	150,080,852	194,082	40,353,462	112,842,111	214,740,614
	1870	4,790	297,694,243	274,943	86,565,191	353,249,102	520,386,764
	1880	4,018	412,721,496	334,251	105,050,666	302,709,894	532,673,488
	1890	4,276	767,705,310	517,237	168,488,982	447,546,540	759,262,283
	1900	4,312	1,042,997,577	661,451	209,022,447	521,345,200	931,494,566
	1905	4,563	1,343,324,605	739,239	249,357,277	745,783,168	1,215,036,792
	(c) 1910	5,264	1,834,356,000	879,087	333,592,000	987,634,000	1,677,190,000

(a) Includes hosiery and knit goods. (b) Includes cotton small wares.

(c) The figures embrace establishments making fishing nets not previously included.

I do not apologize for my position touching the protective policy. The Wilson bill was enacted into law. Some of us recalled what that bill did, or was the most natural factor in doing. It closed and bankrupted the entire industries of the country.—Ex-Speaker Cannon.

The dollar paid to the farmer, the wage-earner, and the pensioner must continue forever equal in purchasing and debt-paying power to the dollar paid to any government creditor.—Maj. McKinley to Notification Committee, 1896.

The difficulty with the Democratic Party and the reason why the American people thus far have manifested their distrust of it is because it has no policy which the country can depend upon. Its whole stock in trade is that of irresponsible criticism and obstruction, but when charged with the responsibility for doing anything it utterly fails.—Hon. Wm. H. Taft, at Greensboro, N. C.

*Production of cane and beet sugar in the principal producing countries of the world for the sugar year 1910-11.**

Countries.	Cane sugar production. Gross tons.	Countries.	Beet sugar production. Gross tons.
Java -----	1,229,100	Germany -----	2,529,385
Cuba -----	1,483,451	Austria -----	1,517,631
Hawaiian Islands -----	506,096	France -----	703,110
Brazil -----	287,000	Russia -----	2,081,575
Mauritius -----	217,757	Belgium -----	275,575
Australia -----	229,584	Holland -----	211,307
Louisiana -----	300,000	All other -----	570,834
All other -----	4,158,895		
Total -----	8,411,883	Total -----	7,889,417

* Figures for cane sugar production taken from Willett & Gray's Sugar Trade Journal, March 28, 1912; figures for beet sugar production taken from Die Deutsche Zuckerindustrie.

Annual expenditures of the principal nations of the world, showing relative growth since 1890.

[From official reports of the respective countries.]

Years	France (Years ending December 31)	Italy (Years ending June 30)	Russia (Years ending December 31)	Germany (Years ending March 31)	United Kingdom (Years ending March 31)	United States (c) (Years ending June 30)
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1891----	628,827,008	357,522,356	596,861,356	378,859,277	326,951,939	355,372,685
1892----	652,408,549	346,645,639	549,222,332	356,620,795	437,633,503	315,023,331
1893----	666,027,675	335,643,577	537,691,667	358,790,355	439,811,714	338,477,954
1894----	671,635,212	369,044,948	605,294,231	366,963,965	444,325,300	367,525,200
1895----	662,765,952	348,743,946	795,388,426	386,149,407	457,053,549	353,195,298
1896----	694,857,114	355,387,625	767,410,468	379,572,920	475,770,243	352,179,446
1897----	680,138,588	336,856,554	769,718,085	387,674,011	493,836,210	365,774,160
1898----	680,844,255	334,436,951	912,688,680	415,568,491	500,938,015	443,358,583
1899----	692,758,246	334,830,560	919,332,840	441,658,409	526,313,123	605,072,180
1900----	723,163,103	336,344,509	972,946,310	466,620,682	650,760,094	487,713,792
1901----	724,887,548	342,249,821	965,242,385	522,886,214	893,451,353	509,967,378
1902----	713,970,225	364,739,527	1,116,095,473	553,221,885	951,508,850	471,190,858
1903----	694,265,063	361,753,279	1,085,552,440	552,295,493	897,789,965	506,098,007
1904----	702,335,904	358,298,730	1,409,914,024	561,038,066	714,677,368	532,237,821
1905----	699,249,377	367,244,773	1,650,447,749	492,195,257	690,831,293	563,360,094
1906----	715,874,065	482,235,846	1,654,539,181	522,445,272	731,988,057	549,405,425
1907----	739,928,284	415,758,805	1,330,043,366	569,414,838	728,211,692	551,705,129
1908----	754,684,688	435,933,124	1,368,191,644	668,748,346	738,793,555	621,102,391
1909----	773,008,361	474,824,755	1,342,889,094	662,293,548	741,130,940	662,324,445
1910----	807,778,819	485,018,190	1,337,280,022	777,443,791	768,637,449	659,705,391
1911----	846,587,201	524,780,118	1,337,075,920	679,199,902	837,016,913	654,137,998
1912----		469,467,096	1,532,254,832	696,100,404		

Arraying labor against capital is a public calamity and an irreparable injury to both.—Major McKinley, to Commercial Traveling Men's Republican Club, September 26, 1896.

I do not apologize for my position touching the protective policy. The Wilson bill was enacted into law. Some of us recalled what that bill did, or was the most natural factor in doing. It closed and bankrupted the entire industries of the country.—Ex-Speaker Cannon.

Remembering those Republican promises and their fulfillment in the years since, calling to mind the unfulfilled Democratic promises and the bitter years of 1893-1896, what will you gain by voting the Democratic ticket.—Representative Chas. Dick, of Ohio, in Congress, January 5, 1904.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

Total expenditures and per capita expenditures of the principal countries of the world, in the latest year for which figures are available.

[Figures are chiefly for 1911.]

Countries	Population	Expenditure	Per capita expenditure
Argentina -----	6,989,000	\$137,394,000	\$19.66
Australian Commonwealth -----	4,455,000	36,498,000	8.19
Belgium -----	7,517,000	127,026,000	16.90
Canada -----	7,082,000	79,412,000	11.21
Cuba -----	2,159,000	40,593,000	18.80
France -----	39,602,000	846,587,000	21.38
Germany -----	64,926,000	696,100,000	10.72
Italy -----	34,687,000	469,467,000	13.53
Japan -----	50,752,000	283,314,000	5.58
Netherlands -----	5,858,000	85,930,000	14.67
Portugal -----	5,423,000	81,131,000	14.96
Russia -----	160,748,000	1,532,255,000	9.53
Spain -----	19,503,000	217,745,000	11.16
Sweden -----	5,522,000	61,080,000	11.06
United Kingdom -----	45,366,000	837,017,000	18.45
United States -----	93,983,000	\$964,085,555	\$10.26

a Appropriations passed.

b Budget estimates.

c Ordinary disbursements, exclusive of premiums, principal or public debt, and disbursements for postal service paid from revenue thereof.

g Gross disbursements. Per capita on ordinary disbursements, \$6.96.

Protection creates a home market, without which the cultivators of land in America would be but little better off than our aborigines.—Hon. J. S. Morrill.

The policy of expansion is what distinguishes the administration of McKinley and adds another to the list of patriotic victories of the Republican Party. By this policy the United States has become a world power.—Hon. Wm. H. Taft, at Kansas City, Mo.

As a party shows itself homogeneous, able to grasp the truth with respect to new issues, able to discard unimportant differences of opinion, sensitive with respect to the successful maintenance of government, and highly charged with the responsibility of its obligation to the people at large, it establishes its claim to the confidence of the public and to its continuance in political power.—Hon. Wm. H. Taft, at Kansas City, Mo.

We stand with Abraham Lincoln, who said, in his first inaugural: "A majority held in restraint by constitutional checks and limitations and always changing easily, with deliberate changes of popular opinion and sentiment, is the only true sovereign of a free people. Who ever rejects it does of necessity fly to anarchy or despotism."—Senator Root, to Republican National Convention, 1912.

Only twice in all that remarkable history of forty-eight years have we lost the confidence of the people of the United States to the point of their turning over the government to a Democratic executive. I venture to say that neither in this nor in any other country can be disclosed such a remarkable record of arduous deeds done as in that history of a half century of the Republican Party.—Hon. Wm. H. Taft, at Kansas City, Mo.

The Democrats are a party having no solidarity, uniting elements that are as unmixable as oil and water, and when they come to make a government, should they ever be elected to power, the administration would become as nerveless as a man stricken with paralysis, because the radical difference between the elements necessary to make up the party would be so great as to produce perfect stagnation in legislative provision for the emergencies which might arise. The Democratic Party to-day, as organized, is nothing but organized incapacity. Neither element of the party would have a sense of responsibility strong enough to overcome its antagonism to the principles upheld by the other faction, were it to come into power.—Hon. Wm. H. Taft, at Montpelier, Vt.

But the most gratifying feature of this picture of banking and financial conditions in our country is the fact that deposits in savings banks—those institutions for the safe-keeping of the earnings of workingmen and widows and orphans and children of the country—have increased from \$550,000,000 in 1870 to \$4,212,000,000, in 1911. What say you business men, of the future of a country whose workingmen and working women and children have four billion dollars laid aside for a "rainy day."—O. P. Austin.

United States Government finance, per capita.

Year	Population June 1	Government finance, per capita.					
		Amou't of money in the United States July 1	Money in cir- culation July 1	Debt less cash in Treas- ury, July 1	Year ending June 30		
					Inter- est on public debt	Net revenue,	Net ex- penses
		Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.
1871.....	39,555,000	18.75	18.17	56.81	2.83	9.69	7.16
1872.....	40,596,000	18.79	18.27	52.96	2.56	9.22	6.66
1873.....	41,677,000	18.58	18.09	50.52	2.35	8.01	6.84
1874.....	42,796,000	18.83	18.13	49.17	2.31	7.13	7.04
1875.....	43,951,000	18.16	17.16	47.53	2.20	6.55	6.25
1876.....	45,137,000	17.52	16.12	45.66	2.11	6.52	5.87
1877.....	46,353,000	16.46	15.58	43.56	2.01	6.07	5.21
1878.....	47,598,000	16.59	15.32	41.01	1.99	5.42	4.98
1879.....	48,866,000	21.15	16.75	40.85	1.71	5.60	5.46
1880.....	50,155,783	23.64	19.41	38.27	1.59	6.65	5.28
1881.....	51,316,000	26.30	21.71	35.46	1.46	7.00	5.08
1882.....	52,495,000	26.85	22.37	31.91	1.09	7.68	4.92
1883.....	53,693,000	27.42	22.93	28.66	.96	7.41	4.94
1884.....	54,911,000	27.08	22.65	26.20	.87	6.36	4.45
1885.....	56,148,000	27.38	23.03	24.50	.84	5.76	4.63
1886.....	57,404,000	27.20	21.78	22.34	.79	5.86	4.22
1887.....	58,680,000	27.84	22.45	20.03	.71	6.33	4.56
1888.....	59,974,000	28.20	22.88	17.72	.65	6.32	4.32
1889.....	61,289,000	27.06	22.52	15.92	.53	6.31	4.60
1890.....	62,947,714	26.91	22.82	14.22	.47	6.43	4.75
1891.....	63,844,000	26.23	23.45	13.34	.37	6.14	5.56
1892.....	65,086,000	26.92	24.60	12.93	.35	5.44	5.29
1893.....	66,349,000	24.07	24.06	12.64	.35	5.81	5.77
1894.....	67,632,000	26.70	24.56	13.30	.38	4.40	5.43
1895.....	68,934,000	26.39	23.24	13.08	.42	4.54	5.16
1896.....	70,254,000	25.62	21.44	13.60	.49	4.65	5.01
1897.....	71,592,000	26.63	22.92	13.78	.48	4.85	5.10
1898.....	72,947,000	28.43	25.19	14.08	.47	5.55	6.07
1899.....	74,318,000	29.47	25.62	15.55	.54	6.93	8.14
1900.....	75,994,575	30.66	26.93	14.58	.44	7.43	6.39
1901.....	77,612,569	31.94	27.98	13.46	.38	7.56	6.56
1902.....	79,230,563	32.40	28.43	12.24	.35	7.11	5.96
1903.....	80,848,557	33.31	29.42	11.44	.31	6.93	6.26
1904.....	82,466,551	34.24	30.77	11.73	.29	6.59	6.50
1905.....	84,084,545	31.63	a31.08	11.77	.29	6.54	6.77
1906.....	85,702,533	36.26	32.32	11.25	.27	7.02	6.49
1907.....	87,320,539	36.20	a32.22	10.06	.25	7.70	6.41
1908.....	88,938,527	38.62	34.72	10.55	.24	6.87	7.10
1909.....	90,556,521	38.31	34.93	11.31	.23	6.79	7.45
1910.....	92,174,515	37.84	a34.33	11.35	.23	7.48	7.30
1911.....	93,792,509	37.84	34.20	10.83	.23	7.46	6.96
1912.....	95,410,503	38.16	34.26	10.77	.24	7.23	6.85

a As a result of special investigation by the Director of the Mint a reduction of \$135,000,000 was made in the estimate of gold coin in circulation on July 1, 1907, as compared with the basis of previous years, and on September 1, 1910, a reduction of \$9,700,000 was made in the estimate of silver coin.

The price of wheat is fixed by the law of supply and demand, which is eternal; gold has not made long crops or short crops, high prices or low prices.—Maj. McKinley to Homestead workingmen, September 12, 1896.

Protection furnishes an opportunity for every person to find the employment best adapted to his or her genius and capacity that will secure the largest income or the greatest happiness.—Hon. J. S. Morrill, in the "American Economist."

They tell us that a protective tariff was only designed for infant industries, that we have outgrown that infancy and are no longer in need of the duties that enabled us to get them started. We have grown, it is true. Our great industrial concerns are monsters now, but let me tell you, as the boy said who waited till he had grown up before tackling a youthful opponent, the other fellow has grown up too.—Hon. James S. Sherman.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon,

Commercial failures and average of liabilities, 1880 to 1911.

[From Dun's Review, New York.]

Calendar Year.	Total for the Year.				
	Number of failures.	Number of business concerns.	Per ct. of failures.	Amount of liabilities.	Average liabilities.
1880.....	4,735	746,823	0.63	\$65,752,000	\$13,886
1881.....	5,582	781,639	.71	81,155,932	14,530
1882.....	6,738	822,256	.82	101,547,564	15,070
1883.....	9,184	863,993	1.06	172,874,172	18,823
1884.....	10,968	904,759	1.21	226,343,427	20,632
1885.....	10,637	919,990	1.16	124,220,321	11,678
1886.....	9,834	969,841	1.01	114,644,119	11,651
1887.....	9,634	994,281	.90	167,560,944	17,392
1888.....	10,679	1,046,662	1.02	123,829,973	11,595
1889.....	10,882	1,051,140	1.04	148,784,337	13,672
1890.....	10,907	1,110,590	.98	189,856,964	17,406
1891.....	12,273	1,142,951	1.07	189,868,638	15,471
1892.....	10,344	1,172,705	.88	114,044,167	11,025
1893*.....	15,242	1,193,113	1.28	346,779,889	22,751
1894*.....	13,885	1,114,174	1.25	172,992,856	12,458
1895*.....	13,197	1,209,282	1.09	173,196,060	13,124
1896*.....	15,088	1,151,579	1.31	226,096,834	14,985
1897.....	13,351	1,058,521	1.26	154,332,071	11,559
1898.....	12,186	1,105,830	1.10	130,662,899	10,722
1899.....	9,337	1,147,595	.81	90,879,889	9,733
1900.....	10,774	1,174,300	.92	138,495,673	12,854
1901.....	11,002	1,219,242	.90	113,092,376	10,279
1902.....	11,615	1,253,172	.93	117,476,769	10,137
1903.....	12,069	1,281,481	.94	155,444,185	12,879
1904.....	12,199	1,320,172	.92	144,202,311	11,820
1905.....	11,520	1,356,217	.85	102,676,172	8,913
1906.....	10,682	1,391,587	.77	119,201,515	11,159
1907.....	11,725	1,417,077	.82	197,385,225	16,834
1908.....	15,690	1,425,000	1.10	222,315,684	14,169
1909.....	12,924	1,468,812	.88	154,603,465	11,963
1910.....	12,652	1,514,997	.83	201,757,097	15,947
1911.....	13,441	1,525,024	.88	191,061,665	14,215

*Democratic and low tariff period.

Clearing-house returns of the United States.

[From the Statistical Abstract of the United States.]

Year.	New York clearing house.	Clearing houses of the United States.
1886.....	\$33,374,682,216	\$48,211,643,771
1887.....	34,872,848,786	52,126,704,488
1888.....	30,863,686,609	48,750,886,813
1889.....	34,796,465,529	53,501,411,510
1890.....	37,660,686,572	58,845,279,505
1891.....	34,053,698,770	57,298,737,938
1892.....	36,279,905,236	60,883,572,438
1893.....	34,421,379,870	58,880,682,455
1894.....	24,230,145,368	45,028,496,746
1895.....	28,264,379,126	50,975,155,046
1896.....	29,350,894,884	51,935,651,733
1897.....	31,337,760,948	54,179,545,030
1898.....	39,853,413,948	65,924,820,769
1899.....	57,368,230,771	88,828,672,533
1900.....	51,964,588,564	84,582,450,081
1901.....	77,020,672,494	114,819,792,086
1902.....	74,753,189,436	110,021,618,003
1903.....	70,833,655,940	113,963,298,973
1904.....	59,672,796,804	102,356,435,047
1905.....	91,879,318,369	140,592,087,616
1906.....	103,754,100,091	157,681,259,999
1907.....	95,815,421,238	154,662,515,258
1908.....	73,630,971,913	126,238,694,398
1909.....	99,257,662,400	158,877,192,100
1910.....	102,553,959,069	168,986,664,000
1911.....	92,420,120,092	159,373,450,000

The Republican Party was born because of a principle, and it has lived and grown because of principles too sound to be overthrown, too deep to be effaced.—Hon. James S. Sherman.

*Individual deposits in banks of all kinds in the various States,
1892, 1896, 1903 and 1911.*

[From Official Reports of the Controller of the Currency.]

States.	1892.	1896.	1903.	1908.	1911.
Maine	\$65,850,798	\$75,804,424	\$112,447,981	\$146,923,084	\$166,162,397
New Hamp.	80,435,557	71,921,727	78,453,488	98,539,134	111,826,836
Vermont	33,748,904	40,572,077	56,386,990	75,330,076	90,640,124
Mass.	616,598,531	705,759,418	938,627,298	1,142,646,976	1,356,628,047
Rhode Island	99,066,388	110,535,846	155,644,733	181,779,638	208,967,789
Connecticut	165,415,581	188,712,003	264,131,827	341,880,703	389,240,700
New York	1,417,556,006	1,694,236,105	2,861,024,291	3,560,652,284	4,864,873,583
New Jersey	98,891,294	115,583,033	254,960,170	372,139,970	477,659,351
Pennsylvania	423,548,016	499,041,848	1,011,947,132	1,233,298,865	1,500,658,980
Delaware	10,121,401	7,619,958	19,592,430	26,218,589	80,775,771
Maryland	83,219,217	87,354,355	144,708,712	188,313,206	239,290,618
Dist. Col.	15,670,372	18,677,413	37,916,326	47,266,608	63,679,728
Virginia	29,693,509	28,243,822	59,993,002	99,431,201	129,836,556
West Virginia	11,037,899	17,745,571	50,387,589	82,766,908	106,151,373
N. Carolina	8,461,372	9,722,451	28,224,670	49,139,773	71,580,116
S. Carolina	9,849,188	9,890,679	18,584,452	39,442,358	59,510,702
Georgia	15,363,576	10,952,349	43,053,919	72,440,279	109,286,165
Florida	5,740,494	5,531,365	16,536,101	31,245,570	53,815,349
Alabama	7,661,424	6,856,065	19,963,480	55,005,862	69,723,683
Mississippi	7,093,530	8,908,660	29,174,325	44,916,385	68,253,509
Louisiana	26,305,565	25,306,751	63,450,271	80,583,607	112,071,581
Texas	34,170,225	31,747,215	80,389,641	134,383,734	220,540,412
Arkansas	4,563,594	3,555,383	14,458,572	22,566,866	48,586,338
Kentucky	49,603,578	41,502,038	68,501,184	110,941,947	127,716,835
Tennessee	24,543,584	21,722,670	62,183,036	90,951,328	106,208,004
Ohio	175,952,224	174,954,981	448,120,819	644,428,446	713,077,549
Indiana	54,206,771	52,386,403	141,601,752	229,741,612	292,687,185
Illinois	226,801,889	213,798,711	522,889,978	770,013,364	997,337,065
Michigan	107,704,951	103,670,827	218,432,300	293,333,222	395,016,979
Wisconsin	79,738,823	68,863,503	156,140,971	209,218,351	270,204,906
Minnesota	76,795,498	63,494,642	135,564,105	211,052,807	292,218,879
Iowa	85,460,666	78,439,707	211,033,378	302,368,831	370,940,096
Missouri	117,478,165	117,150,075	298,747,005	343,476,561	427,928,429
N. Dakota	8,278,548	7,032,369	22,147,222	41,997,532	57,305,608
S. Dakota	7,551,266	7,216,612	27,801,725	54,538,002	75,151,195
Nebraska	43,770,311	30,865,894	80,585,404	132,278,928	159,151,858
Kansas	38,514,219	30,529,487	84,055,110	132,412,731	154,933,703
Montana	16,515,264	16,806,929	32,023,515	45,953,338	53,886,820
Wyoming	3,167,147	2,650,866	7,821,629	13,422,433	17,456,170
Colorado	33,827,434	29,966,835	69,759,278	101,035,363	114,547,712
New Mexico	3,104,956	2,311,296	7,249,032	12,909,901	17,599,053
Oklahoma	723,968	755,519	18,677,080	57,328,018	91,937,293
Washington	17,807,584	9,228,848	53,242,953	127,205,165	155,264,895
Oregon	12,647,373	9,262,021	26,039,463	76,467,767	101,136,323
California	198,024,954	202,874,270	406,532,343	454,399,192	711,327,144
Idaho	2,006,760	1,660,292	7,849,030	24,271,240	30,073,697
Utah	9,213,285	6,366,103	33,526,202	38,862,675	44,833,966
Nevada	412,320	579,731	4,107,492	8,855,602	14,035,498
Arizona	758,212	1,548,074	8,458,306	13,368,009	20,170,950
Alaska			893,913	5,305,906	4,467,691
Totals	4,665,023,350	4,945,315,414	9,520,429,254	12,764,002,420	15,866,425,206

Aggregate, United States only, \$9,530,429,252.

Annual increase in individual deposits

Annual increase in individual deposits, 1896-1903, \$657,000,000.

The civilized world substantially protects itself, thus forcing us to protect ourselves.—Hon. D. B. Henderson, in the "American Economist."

The hum of industry has drowned the voice of calamity, and the voice of despair is no longer heard in the United States, and the orators without occupation here are now looking to the Philippines for comfort. As we opposed them when they were standing against industrial progress at home, we oppose them now as they are standing against national duty in our island possession in the Pacific.—President McKinley.

The avowed policy of the National administration of these two Presidents has been and is to govern the islands, having regard to the interest and welfare of the Filipino people, and by the spread of general primary and industrial education and by practice in partial political control to fit the people themselves to maintain a stable and well-ordered government affording equality of right and opportunity to all citizens.—Hon. Wm. H. Taft, in special report to the President

Number of savings banks in the United States, number of depositors, amount of savings deposits, average amount due each depositor in the years 1860 to 1911, and average per capita in the United States in the years given.

[Compiled in the office of the Comptroller of the Currency.]

Year.	Number of banks	Number of depositors.	Deposits.	Average due each depositor.	Average per capita in the United States
1860	278	693,870	\$149,277,504	\$215.18	\$1.75
1861	285	694,487	146,729,852	211.27	4.58
1862	289	787,913	169,434,540	215.03	5.18
1863	293	887,086	206,235,202	232.48	6.18
1864	305	976,025	236,180,401	242.08	6.94
1865	317	983,814	242,619,332	247.35	6.98
1866	336	1,067,061	282,455,794	264.70	7.96
1867	371	1,183,202	327,009,452	283.63	9.03
1868	406	1,310,144	392,781,813	299.80	10.62
1869	476	1,466,684	457,675,050	312.04	12.12
1870	517	1,630,816	549,874,358	337.17	14.36
1871	577	1,902,047	650,745,442	342.13	16.45
1872	647	1,992,925	735,016,805	363.82	18.11
1873	669	2,185,832	802,363,609	367.07	19.25
1874	693	2,193,461	864,556,902	376.98	20.20
1875	771	2,359,864	924,037,304	391.56	21.25
1876	781	2,368,630	941,350,255	397.42	20.86
1877	675	2,395,314	866,218,306	361.63	18.69
1878	663	2,400,785	879,897,425	366.50	18.49
1879	639	2,268,707	802,490,498	353.72	16.42
1880	629	2,335,582	819,106,973	350.71	16.33
1881	679	2,528,749	891,961,142	352.73	17.38
1882	629	2,710,354	966,797,081	356.70	18.42
1883	630	2,876,438	1,024,856,787	356.29	19.09
1884	676	3,015,151	1,073,294,955	355.96	19.55
1885	616	3,071,495	1,095,172,147	356.56	19.51
1886	638	3,158,950	1,141,530,578	361.36	19.89
1887	644	3,418,013	1,235,247,371	361.39	21.05
1888	811	3,838,291	1,364,196,550	355.41	22.75
1889	819	4,021,523	1,425,230,349	354.40	23.25
1890	921	4,258,893	1,524,844,506	358.03	24.35
1891	1,011	4,533,217	1,623,079,749	358.04	25.29
1892	1,059	4,781,605	1,712,769,026	358.20	26.11
1893	1,030	4,830,599	1,785,150,957	369.55	26.63
1894	1,024	4,777,687	1,747,961,280	365.86	25.53
1895	1,017	4,875,519	1,810,597,023	371.36	25.88
1896	983	5,065,494	1,907,156,277	376.50	26.68
1897	980	5,201,132	1,939,376,035	372.88	26.56
1898	979	5,385,746	2,065,631,298	383.54	27.67
1899	987	5,687,818	2,230,366,954	392.13	29.24
1900	1,002	6,107,083	2,449,547,885	401.10	31.78
1901	1,097	6,358,723	2,597,094,580	408.30	33.45
1902	1,076	6,666,672	2,750,177,290	412.53	34.89
1903	1,078	7,035,228	2,935,204,845	417.21	36.52
1904	1,157	7,305,443	3,060,178,611	418.89	37.52
1905	1,237	7,696,229	3,261,236,119	423.74	39.17
1906	1,319	8,027,192	3,482,137,198	433.79	41.13
1907	1,415	8,588,811	3,690,078,945	429.64	42.87
1908	1,453	8,705,848	3,660,553,945	420.47	41.84
1909	1,703	8,831,863	3,713,405,710	420.45	41.75
1910	1,759	9,142,908	4,670,486,246	445.20	45.05
1911	1,884	9,794,647	4,212,583,598	430.09	44.82

Protection steadily enlarges the home market for farm products.
—Hon. L. R. Casey.

Protection alone insures American labor against European pauper wages.—Former Senator Casey, in the "American Economist."

Every one knows that the average American consumer pays more than the average British consumer. Yet the British consumer, in spite of that advantage, is by no means so well off as the American consumer.—The London "Daily Telegraph."

In the first place, it is said that the policy of the administration has been directed for the last four years against organized capital, and that it has thereby frightened investors. I deny it. The course of the administration has been directed against such organized capital as was violating the statutes of the United States—and no other. It had every consideration and desire to aid and assist organized capital which was engaged in legitimate business.
—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

Depositors, amount of deposits and average deposit in all savings banks, and average deposit per inhabitant in the principal countries of the world, according to latest available information, chiefly 1911.

[From the Statistical Abstract of the United States.]

Countries.	Number of depositors.	Deposits.	Average deposit.	Average deposit per inhabitant.
		Dollars.	Dollars.	Dollars.
Austria -----	3,996,548	1,094,961,497	273.98	38.62
Belgium (a) -----	2,808,549	186,110,990	66.29	24.77
Denmark (b) -----	1,166,607	174,182,302	149.28	62.76
France -----	13,734,398	1,040,230,578	75.74	26.48
Germany -----	20,616,699	3,729,964,322	180.92	58.17
Hungary -----	1,895,303	464,923,633	245.30	22.47
Italy -----	7,421,235	786,921,337	106.04	22.76
Netherlands -----	1,921,527	102,493,116	53.34	17.34
Norway -----	956,986	128,040,751	133.80	54.03
Russia (c) -----	7,691,315	736,424,971	95.75	4.69
Finland -----	334,724	42,996,054	128.45	14.27
Sweden -----	2,118,223	229,151,240	108.19	41.49
United Kingdom (d) -----	13,659,636	1,076,265,509	78.79	23.81
Australasia -----	1,915,795	334,513,540	174.61	133.08
Canada (e) -----	184,359	57,359,255	312.82	8.10
British India -----	1,378,916	51,478,416	37.33	.21
Japan -----	19,013,548	148,549,729	7.81	2.91
United States (g) -----	9,794,647	4,212,583,598	430.09	45.10
All other -----	6,527,404	576,170,301	88.27	-----
Total -----	117,136,419	15,173,391,139	129.54	15.93

a Data for the State-controlled Caisse Generale d'Epargne. Includes savings deposits with post-offices. In addition, there are four municipal and five private savings banks, which on December 31, 1909, had 45,933 depositors, and deposits to the amount of \$11,169,589.

b Exclusive of 1809 deposits of \$173,011 in savings banks in Faroe Islands, and of data for savings departments of ordinary banks, which comprised 155,160 accounts credited with \$31,370,748 on March 31, 1910.

c Includes 39,883 depositors in school savings depositories, credited with \$103,000. The above total is exclusive of \$151,058,255 worth of securities held by the savings banks to the credit of depositors.

d Exclusive of Government stock held for depositors, which at the end of the year amounted to \$112,668,566 in the postal savings banks and to \$12,567,629 in the trustees' savings banks.

e Exclusive of deposits and depositors in the special private savings banks, amounting on June 30, 1911, to \$36,152,216. These totals do not include the savings deposits in the chartered banks ("deposits payable after notice or on a fixed day"), which on June 30, 1911, were \$564,867,554, and on December 31, 1905, \$338,411,275.

g Excludes Illinois State banks having savings departments.

Our Government should be as exacting from foreigners as from Americans. Make them pay duty while we pay taxes.—Hon. P. C. Cheney.

The present business system of the country rests on the protective tariff, and any attempt to change it to a free-trade basis will certainly lead to disaster.—Hon. Wm. H. Taft, at Columbus, Ohio.

The tide of prosperity may ebb and flow, but the great waves of industrial wealth will continue to grow in volume with ever-increasing comfort and happiness to our contented people, who will soon number 100,000,000. And because of our intelligent and skillful labor, made so because of good wages and good living, we shall make better fabrics and build stronger structures—that in spite of their higher cost in the beginning will be cheaper in the end and will be wanted by the people in every corner of the earth. So that we shall capture the markets of the world in greater volume without ever sacrificing our home market, the foundation of our National wealth and progress.—Hon. James S. Sherman.

The attitude of the government toward combinations of capital for the reduction in the cost of production should be exactly the same as toward the combinations of labor for the purpose of bettering the conditions of the wage-worker and of increasing his share of the joint profit of capital and labor. They are both to be encouraged in every way so long as they conduct themselves within the law.—Hon. Wm. H. Taft, at Columbus, Ohio.

Average annual freight rates from 1870 to 1911.

[From Statistical Abstract.]

Year	Freight rates on wheat per bushel		Freight rates on canned goods, per cwt., from Pacific coast to New York.	
	Chicago to New York, by rail	Buffalo to New York, by canal	Less than car-loads	In car-loads
	Cents.	Cents.		
1870.....	33.3	11.2	\$3.63	\$3.66
1871.....	31.0	12.6	3.76	3.76
1872.....	33.5	13.	3.74	3.74
1873.....	33.2	11.4	3.69	3.69
1874.....	28.7	10.0	3.78	3.78
1875.....	24.1	7.9	3.66	3.66
1876.....	18.5	6.6	3.77	3.77
1877.....	20.3	7.4	4.06	4.06
1878.....	17.7	6.0	4.17	4.17
1879.....	17.3	6.8	4.20	4.20
1880.....	19.9	6.5	4.20	4.20
1881.....	14.4	4.7	2.54	2.54
1882.....	14.6	5.4	1.50	1.50
1883.....	16.5	4.9	1.50	1.50
1884.....	13.125	4.2	1.50	1.41
1885.....	11.0	3.8	1.50	1.25
1886.....	16.5	5.0	1.18	1.01
1887.....	15.74	4.5	1.55	1.20
1888.....	14.5	3.4	1.89	1.13
1889.....	15.0	4.8	2.30	1.06
1890.....	14.31	3.8	2.30	1.00
1891.....	15.0	3.5	2.30	1.09
1892.....	14.23	3.5	2.30	1.05
1893.....	14.7	4.6	2.30	1.00
1894.....	12.88	3.2	2.30	1.00
1895.....	12.17	2.2	2.30	1.00
1896.....	12.0	3.7	1.91	.75
1897.....	12.32	2.8	1.90	.76
1898.....	11.55	2.8	1.90	.75
1899.....	11.13	3.0	1.90	.75
1900.....	9.98	2.5	1.90	.75
1901.....	9.92	3.5	1.90	.75
1902.....	10.60	3.8	1.90	.75
1903.....	11.33	4.0	1.90	.75
1904.....	11.11	3.2	1.90	.75
1905.....	10.20	3.9	1.90	.75
1906.....	10.50	4.2	1.90	.75
1907.....	11.30	5.0	1.90	.75
1908.....	11.70	5.0	1.90	.75
1909.....	11.70	5.0	1.50	.85
1910.....	9.60	5.0	1.50	.85
1911.....	9.69	5.0	1.50	.85

The policy of Washington is the policy of the Republican Party.—Senator Cullom.

Luxuries to the European laborer are necessities to the American.—Senator Frye, in the "American Economist."

We have lower interest and higher wages, more money and fewer mortgages.—President McKinley.

I am a protectionist because I think by that policy the workmen of America will be well paid and not underpaid.—Hon. George F. Hoar.

The people have no patience with those who would violate the plighted faith of the Nation and stamp its obligations with dishonor.—Hon. Wm. McKinley to delegation of farmers, at Canton, September 22, 1896.

The railways can blame no one but themselves if the revelation of the flagrant violations of law and of their unjust administration of a public trust have led to an outburst of popular indignation and have brought on temporary excess.—Hon. Wm. H. Taft, at Columbus, Ohio.

A tariff for revenue only resulted in cheaper wool, cheaper bread, cheaper everything; there was no doubt about that; but did cheapness produce happiness, as they said it would? No; it produced misery, just as we said it would.—Hon. M. N. Johnson, in Congress, March 24, 1897.

Number and mileage of railroads placed under receiverships and sold under foreclosure during the calendar years 1876 to 1907.

[From the Railway Age, Chicago.]

Calendar year.	Placed under receivership.			Sold under foreclosure.		
	Number of roads.	Miles.	Stocks and bonds.	Number of roads.	Miles.	Stocks and bonds.
1876.....	42	6,662	\$467,000,000	30	3,840	\$217,848,000
1877.....	38	3,637	220,294,000	54	3,875	198,984,000
1878.....	27	2,320	92,385,000	48	3,906	311,631,000
1879.....	12	1,102	39,567,000	65	4,909	243,288,000
1880.....	13	885	140,265,000	31	3,775	263,882,000
1881.....	5	110	3,742,000	29	2,617	137,923,000
1882.....	12	912	39,074,000	16	867	65,426,000
1883.....	11	1,990	108,470,000	18	1,354	47,100,000
1884.....	37	11,038	714,755,000	15	710	23,504,000
1885.....	44	8,386	385,460,000	22	3,156	278,394,000
1886.....	13	1,799	70,346,000	45	7,687	374,109,000
1887.....	9	1,046	90,318,000	31	5,478	328,181,000
1888.....	22	3,270	186,814,000	19	1,596	64,555,000
1889.....	22	3,803	99,664,000	25	2,930	137,815,000
1890.....	26	2,963	105,007,000	29	3,825	182,495,000
1891.....	26	2,159	84,479,000	21	3,223	169,069,000
1892.....	36	10,508	357,692,000	28	1,922	95,898,000
1893.....	74	29,340	1,781,046,000	25	1,613	79,924,000
1894.....	38	7,025	395,791,000	42	5,643	318,999,000
1895.....	31	4,089	369,075,000	52	12,831	761,791,000
1896.....	34	5,441	275,597,000	58	13,730	1,150,377,000
1897.....	18	1,537	92,909,000	42	6,675	517,680,000
1898.....	18	2,069	138,701,000	47	6,054	252,910,000
1899.....	10	1,019	52,285,000	32	4,294	267,534,000
1900.....	16	1,165	78,234,000	24	3,477	190,374,000
1901.....	4	73	1,627,000	17	1,139	85,808,000
1902.....	5	278	5,835,000	20	693	39,788,000
1903.....	9	229	18,823,000	13	555	15,885,000
1904.....	8	744	36,069,000	13	524	28,266,000
1905.....	10	3,593	176,321,000	6	679	20,307,000
1906.....	6	204	55,042,000	8	562	10,400,000
1907.....	7	317	13,585,000	6	114	13,777,000
1908.....	24	8,009	596,359,000	3	138	2,547,000
1909.....	5	859	78,095,000	12	2,629	250,033,000
1910.....	7	735	51,427,500	17	1,100	93,660,100
1911.....	5	2,606	210,606,882	13	1,386	40,741,453
Total....	724	131,922	7,632,560,382	976	119,206	7,280,903,562

Defense against injurious importations is as necessary and justifiable as is an army and navy.—Hon. B. F. Jones.

Cheap labor is not the sole end we seek in the United States. . . . We desire not only well-paid labor, but want that labor steadily employed.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

The only anti-trust law on the Federal Statute books bears the name of a Republican senator. The law creating an Interstate Commerce Commission bears the name of another Republican senator, and all the law is being enforced by a Republican President.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

There is, therefore, nothing new in these propositions as to legislation by direct vote, and if we look at the scheme for the recall of judges we shall see that not only has control of the courts by the sovereign authority been familiar at all stages of history, but that the actual practice of judicial recall was attempted in France during the revolution of 1848. The provisional government made the judges removable at pleasure. The result of those experiments in France was the plebiscite and the Third Napoleon. Representative government and liberty faded away together and the executive became all powerful.—Senator Lodge.

While I fully recognize the fact that the Fifteenth Amendment has not accomplished all that it was intended to accomplish, and that for a time it seemed to be a dead letter, I am confident that in the end it will prove to be a bulwark equally beneficial with that of the Thirteenth and Fourteenth Amendments to an unfortunate and down-trodden, struggling race, to whom, in view of the circumstances under which they were brought to this country and the conditions in bondage in which they were continued for more than two centuries, we owe every obligation of care and protection. That which has been done for the benefit of the negro race is the work of the Republican party. It is one of those great issues presented by the exigencies of the war which the party had the firmness and courage to meet.—Hon. Wm. H. Taft, at Kansas City, Mo.

Production of gold and silver in the world since the discovery of America.

[Source: 1493 to 1835, table of averages compiled by Dr. Adolph Soetbeer; other figures represent estimates of the Director of the Mint.]

Period.	Gold.		Silver.	
	Total for period.	Annual average for period.	Total for period.	Annual average for period.
	Value.	Value.	Coining value. ^b	Coining value.
	Dollars.	Dollars.	Dollars.	Dollars.
1493-1630-----	501,640,000	4,645,000	949,173,000	8,789,000
1601-1700-----	606,315,000	6,063,000	1,547,731,000	15,477,000
1701-1800-----	1,262,805,000	12,628,000	2,370,839,000	23,708,000
1801-1850-----	787,463,000	15,749,000	1,360,237,000	27,205,000
1851-1860-----	1,332,931,000	133,298,000	372,261,000	37,226,000
1861-1870-----	1,263,015,000	126,302,000	507,175,000	50,718,000
1871-1880-----	1,067,559,000	106,756,000	853,929,000	85,393,000
1881-1890-----	1,075,050,500	107,505,100	1,257,248,200	125,724,800
1891-----	130,650,000	130,650,000	177,352,300	177,352,300
1892-----	146,651,500	146,651,500	198,014,400	198,014,400
1893-----	157,494,800	157,494,800	213,944,400	213,944,400
1894-----	181,175,600	181,175,600	212,829,600	212,829,600
1895-----	198,763,600	198,763,600	216,566,900	216,566,900
1896-----	202,251,690	202,251,600	203,069,200	203,069,200
1897-----	226,073,700	226,073,700	207,413,000	207,413,000
1898-----	286,879,700	286,879,700	218,576,800	218,576,800
1899-----	306,724,100	306,724,100	217,648,200	217,648,200
1900-----	254,576,300	254,576,300	224,441,200	224,441,200
1901-----	260,992,900	260,992,900	223,691,300	223,691,300
1902-----	296,737,690	296,737,600	210,441,900	210,441,900
1903-----	327,702,200	327,702,200	216,810,300	216,810,300
1904-----	347,377,200	347,377,200	212,292,900	212,292,900
1905-----	380,288,700	380,288,700	222,794,500	222,794,500
1906-----	402,593,000	402,593,000	213,403,800	213,403,800
1907-----	412,966,600	412,966,600	238,166,600	238,166,600
1908-----	442,476,900	442,476,900	262,634,500	262,634,500
1909-----	454,145,700	454,145,700	272,101,400	272,101,400
1910-----	454,703,900	454,703,900	288,167,300	288,167,300
1911 (estimated)---	460,000,000	461,000,000	291,000,000	291,000,000
Total-----	14,246,225,600	-----	14,066,170,900	-----

a For production of the United States, see Tables Nos. 118 and 119.

b Commercial values for single years may be ascertained by multiplying fine ounces by annual average prices of silver as shown in Table No. 261.

The 3,000,000 of men who went out of employment with the revision of the tariff by the Democratic party found employment in the enactment of the Dingley law by the Republican Party, and a million and a half have been added to those who have employment in the industries of the country.—Hon. P. P. Campbell, in Congress, April 1, 1904.

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only requires the effects of a panic through which we are passing, or through which we passed in 1893 or 1873, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, before the Cooper Union, New York City.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned. It is important, however, that appeals to judicial remedies should be limited in such a way that parties will not use them merely to delay and so clog efficient and just executive or legislative action.—Hon. Wm. H. Taft, at Columbus, Ohio.

Production of gold and silver by principal countries in 1910.

[Includes all countries having a product of more than \$1,000,000 of either gold or silver.]

Country	Gold	Silver	
	Value	Coining value	Commercial value
North America:			
United States	\$96,269,100	\$73,875,259	\$30,851,500
Mexico	24,910,600	92,279,194	38,541,000
Canada	10,205,800	42,497,631	17,749,400
Africa	175,189,900	1,340,974	560,100
Australasia	65,470,630	27,857,230	11,634,700
Europe			
Russia	35,579,600	181,827	75,900
Austria-Hungary	2,172,600	1,992,156	832,000
Germany	62,900	7,236,553	3,022,400
Italy	29,600	605,823	253,000
Spain		5,363,798	2,242,300
Greece		1,071,871	447,700
South America:			
Bolivia	463,600	8,391,321	3,504,700
Chile			
Colombia	2,370,000	1,119,797	467,700
Brazil	1,954,700		
Guiana (British)	1,192,700		
Guiana (French)	2,005,800		
Peru	514,500	12,368,313	5,165,700
Central America	4,657,400	2,620,619	1,094,500
Asia:			
Japan	3,845,400	6,007,156	2,508,900
China	3,658,100		
Korea	4,399,100	213,132	89,000
British India	10,718,400	57,887	24,500
East Indies (British)	1,446,800		

Note.—The gold production of the world in 1911 was estimated at \$460,000,000.

Principles are more enduring than men, more lasting than factions.—Hon. James S. Sherman.

Protection brings together diversified industries which never fail to vastly increase the personal intelligence, industry and wage earnings of the people.—Hon. Justin S. Morrill.

We must regard and have an interest in what our neighbors are doing, and when we can assist them, we cannot pass by on the other side as the Levite did, but we must take them up as the Good Samaritan did and bind up their wounds and prepare to send them on their way rejoicing.—Hon. Wm. H. Taft, at Cleveland, Ohio.

Instead of making a panic, the national policy of ending the lawlessness of corporations in interstate commerce, and of taking away their power of issuing, without supervision, stocks and bonds, will produce a change in their management and remove one fruitful cause for loss of public confidence.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

Liberty and honor do not measure all that the party has stood for and stands for to-day. There is another great underlying policy which the Republican Party adopted at its birth and has developed since as has none of the great powers of Christendom. I refer to the policy of progress, which has made our country the greatest, our nation the strongest, and our people the wealthiest and happiest of all the peoples of the world.—Hon. James S. Sherman.

Many of our great industries, including the silk industry, the pottery industry, the carpet industry, and the steel-rail industry, had only a nominal existence until adequately protective duties were imposed on competing foreign products.—James M. Swan, in the "American Economist."

Those foreign countries which have adopted protection have, in the elements by which you have been accustomed to test the prosperity of a nation, improved in a greater ratio and more rapidly than we have ourselves; and I have also to point out that this tendency, which has become so manifest in recent years, is likely, as every sensible man of business knows, to be accentuated as time goes on.—Hon. Jos. Chamberlain, at Liverpool, October 27, 1903.

Value of gold coin and bullion imported into and exported from the United States, fiscal years since 1850.

Year ending June 30—	Imports	Exports	Excess of imports over exports	Excess of exports over imports
1850.....	\$1,776,706	\$4,560,627	-----	\$2,783,921
1851.....	3,569,090	22,836,913	-----	19,267,823
1852.....	3,658,050	40,073,979	-----	36,415,920
1853.....	2,427,356	25,442,858	-----	23,015,502
1854.....	3,031,964	40,470,260	-----	37,438,296
1855.....	1,092,802	57,109,215	-----	54,016,413
1856.....	990,305	45,000,977	-----	44,010,672
1857.....	6,654,636	65,232,653	-----	58,578,017
1858.....	11,566,068	50,002,804	-----	38,436,736
1859.....	2,125,397	61,108,053	-----	58,982,656
1860.....	2,508,786	58,446,039	-----	55,937,253
1861.....	42,291,930	27,423,973	\$14,867,957	-----
1862.....	13,907,011	35,439,903	-----	21,532,892
1863.....	5,530,538	62,162,838	-----	56,632,300
1864.....	11,176,769	100,661,634	-----	89,484,865
1865.....	6,498,228	58,381,033	-----	51,882,805
1866.....	8,196,261	71,197,309	-----	63,001,048
1867.....	17,024,866	39,026,627	-----	22,001,761
1868.....	8,737,448	72,396,344	-----	64,658,901
1869.....	14,132,568	36,003,498	-----	21,870,930
1870.....	12,056,950	33,635,962	-----	21,579,012
1871.....	6,883,561	66,686,208	-----	59,802,647
1872.....	8,717,458	49,548,760	-----	40,831,302
1873.....	8,682,447	44,856,715	-----	36,174,268
1874.....	19,503,137	34,042,420	-----	14,539,283
1875.....	13,696,793	66,980,977	-----	53,284,184
1876.....	7,992,709	31,177,050	-----	23,184,341
1877.....	26,246,234	26,590,374	-----	344,140
1878.....	13,330,215	9,204,455	4,125,760	-----
1879.....	5,624,948	4,587,614	1,037,334	-----
1880.....	80,758,396	3,639,025	77,119,371	-----
1881.....	100,031,259	2,565,132	97,466,127	-----
1882.....	34,377,054	32,587,880	1,789,174	-----
1883.....	17,734,149	11,000,888	6,133,261	-----
1884.....	22,831,317	41,081,957	-----	18,250,640
1885.....	26,691,696	8,477,892	18,213,804	-----
1886.....	20,743,349	42,952,191	-----	22,208,842
1887.....	42,910,601	9,701,187	33,209,414	-----
1888.....	43,934,317	18,376,234	25,558,083	-----
1889.....	10,284,858	59,952,285	-----	49,667,427
1890.....	12,943,342	17,274,491	-----	4,331,149
1891.....	18,232,567	86,362,654	-----	68,130,087
1892.....	49,699,454	50,195,327	-----	495,873
1893.....	21,174,381	108,680,844	-----	87,506,463
1894.....	72,449,119	76,978,061	-----	4,528,942
1895.....	36,381,760	66,468,481	-----	30,083,721
1896.....	33,525,035	112,409,947	-----	78,884,882
1897.....	85,014,780	44,001,580	44,653,200	-----
1898.....	120,391,674	10,000,000	104,985,283	-----
1899.....	88,954,603	37,522,086	51,432,517	-----
1900.....	44,573,184	48,266,759	-----	3,693,575
1901.....	66,051,187	53,185,177	12,866,010	-----
1902.....	52,021,254	48,568,950	3,452,304	-----
1903.....	44,982,027	47,090,595	-----	2,108,568
1904.....	99,055,338	81,459,986	17,595,387	-----
1905.....	53,648,961	92,594,024	-----	38,945,063
1906.....	96,221,730	38,573,591	57,648,139	-----
1907.....	114,510,249	51,399,176	63,111,073	-----
1908.....	148,337,321	72,432,924	75,904,397	-----
1909.....	44,003,989	91,531,818	-----	47,527,829
1910.....	43,339,905	118,563,215	-----	75,223,310
1911.....	73,607,013	22,509,653	51,097,360	-----
1912.....	48,936,500	57,328,348	-----	8,391,848

What the capitalist, who is the employer of labor, must face is that the organization of labor—the labor union—is a permanent condition in the industrial world. It has come to stay.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The futility of the investigation of the "Steel Trust" by the Stanley Committee, which will have cost in direct expense, nearly \$40,000 and indirectly an unascertainable amount, is practically demonstrated before any report is ready. A similar result is to be expected of several other investigations undertaken in the last year by the House of Representatives through either regular or special committees, for the simple reason that their purpose has not been to ascertain facts and place them in their proper relation, in order to establish the truth and serve as a guide to sound public action, but to gain some party advantage by one-sided conclusions. Investigation of matters which may call for changes in legislation or in administration of the law must be conducted in a judicial and not a partisan way if they are to be of real use.—New York "Journal of Commerce," Democrat.

Value of the principal farm crops of the United States in 1895, 1899, and 1907 to 1911.

[The figures are mainly from the Department of Agriculture.]

Crop.	1895.		1899.		1907.		1908.		1909.		1910.		1911.	
	Total value.	Value per unit. ^a	Total value.	Value per unit. ^a	Total value.	Value per unit. ^a	Total value.	Value per unit.	Total value.	Value per unit.	Total value.	Value per unit.	Total value.	Value per unit.
Corn-----	\$544,985,534	\$0.253	\$629,210,110	\$0.303	\$1,337,000,000	\$0.516	\$1,616,000,000	\$0.606	\$1,477,000,000	\$0.579	\$1,384,000,000	\$0.480	\$1,565,000,000	\$0.618
Wheat-----	237,938,998	.509	319,545,250	.584	554,000,000	.874	617,000,000	.928	674,000,000	.986	561,000,000	.883	543,000,000	.874
Oats-----	163,655,068	.199	198,167,975	.249	335,000,000	.443	381,000,000	.472	405,000,000	.402	408,000,000	.344	415,000,000	.450
Rye-----	11,964,826	.440	12,214,118	.510	23,000,000	.731	23,000,000	.736	21,000,000	.718	25,000,000	.715	28,000,000	.832
Barley-----	29,312,413	.337	29,594,254	.403	102,000,000	.666	92,000,000	.554	94,000,000	.540	100,000,000	.578	139,000,000	.869
Potatoes-----	78,984,901	.266	89,328,832	.390	134,000,000	.617	197,000,000	.541	211,000,000	.557	195,000,000	.557	234,000,000	.799
Cotton-----	293,358,852	.082	376,560,253	.076	700,960,000	.115	681,230,000	.920	812,090,000	.143	963,180,000	.147	859,840,000	.097
Hay-----	393,185,615	8.35	411,926,187	7.57	744,000,000	11.63	635,000,000	8.98	639,000,000	10.62	748,000,000	12.26	695,000,000	14.61
Tobacco-----	35,574,220	.069	57,000,000	.139	71,000,000	.102	74,000,000	.103	107,000,000	.101	102,000,000	.093	85,000,000	.094
Flaxseed-----	12,000,000	.750	20,000,000	1.5	26,000,000	.956	31,000,000	.118	30,000,000	.153	29,000,000	.232	36,000,000	.182
Total-----	1,800,960,427	-----	2,143,546,979	---	4,073,960,000	-----	4,347,000,000	-----	4,520,000,000	-----	4,516,000,000	-----	4,598,000,000	-----

^a Corn, wheat, oats, rye arley, potatoes, and flaxseed, bushels; hay, ton; cotton and tobacco, pounds.

NUMBER AND VALUE OF FARM ANIMALS, 1890 TO 1912.

Note the rapid decline in value of farm animals during the period of Democratic rule and low tariff—1893-1897. The value of farm animals fell from \$2,418,766.028 on January 1, 1890, to \$1,655,414.612 on January 1, 1897; and had advanced to \$5,068,149,000 on January 1, 1912.

Number and value of farm animals from 1890 to 1908.

[From the annual reports of the Department of Agriculture.]

January 1—	Horses		Mules		Milch cows		Oxen and other cattle		Sheep		Swine		Total value farm animals
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	
1890.....	14,213,837	\$978,516,562	2,331,027	\$182,394,099	15,952,883	\$353,152,133	36,849,094	\$560,625,137	44,336,072	\$100,659,761	51,602,780	\$243,418,333	\$2,418,766,028
1891.....	14,036,750	941,323,222	2,296,532	178,847,370	16,019,591	346,397,960	36,875,648	544,127,908	43,421,136	108,397,447	50,625,106	210,193,923	2,329,787,770
1892.....	15,498,140	1,007,593,636	2,314,699	174,882,070	16,416,351	351,373,132	37,651,239	570,749,155	44,938,365	116,121,260	52,398,019	211,031,415	2,461,755,638
1893.....	16,206,802	992,225,185	2,331,128	164,763,751	16,424,987	357,290,755	35,954,193	547,882,204	47,273,553	125,969,264	40,094,807	295,426,492	2,488,506,681
1894.....	16,061,139	989,224,799	2,352,321	146,232,311	16,497,400	358,998,631	36,008,108	537,789,747	45,018,017	89,186,110	45,206,493	270,384,626	2,170,316,754
1895.....	15,893,318	576,730,580	2,333,108	110,927,834	16,504,629	362,601,729	34,364,216	482,959,129	42,294,031	66,687,767	44,167,716	219,501,267	1,819,446,306
1896.....	15,124,057	500,140,186	2,278,946	108,204,457	16,137,586	363,955,545	32,085,409	508,928,416	38,298,783	65,167,735	42,842,759	193,529,745	1,727,923,084
1897.....	14,364,667	452,649,396	2,215,654	92,302,090	15,941,727	369,239,993	30,508,408	507,929,421	36,818,643	67,020,942	40,600,276	166,272,770	1,665,414,612
1898.....	13,960,911	478,302,407	2,190,282	96,109,516	15,810,886	434,813,836	29,264,197	612,296,634	37,656,960	92,721,133	39,759,993	174,351,409	1,888,654,925
1899.....	13,685,307	511,074,818	2,134,213	95,963,261	15,990,115	474,233,935	27,994,225	637,931,135	39,114,453	107,697,530	38,651,631	170,109,713	1,997,010,407
1900.....	13,537,524	693,969,442	2,086,027	111,717,092	16,292,360	511,812,106	27,610,034	680,483,260	41,883,095	122,665,913	37,079,356	185,472,351	2,228,123,131
1901.....	16,744,723	855,200,163	2,861,458	183,282,200	16,833,057	595,093,077	45,500,217	903,644,003	50,756,718	178,092,476	56,982,142	333,012,143	3,011,254,076
1902.....	16,531,224	963,935,178	2,757,017	186,411,704	16,696,892	488,130,324	44,727,797	939,126,073	62,039,901	168,345,750	46,922,624	394,973,688	3,102,515,540
1903.....	16,557,373	1,030,705,959	2,723,038	197,733,327	17,105,227	516,711,914	44,639,206	821,054,502	63,934,876	133,530,909	47,004,367	280,224,037	2,968,247,479
1904.....	16,736,059	1,136,910,298	2,757,916	217,532,832	17,419,817	508,844,480	43,629,493	712,178,134	51,630,144	127,231,960	47,320,511	283,234,978	3,006,580,737
1905.....	17,057,702	1,200,310,020	2,888,710	251,840,378	17,572,464	482,272,203	43,669,413	661,571,308	45,170,423	179,066,141	52,102,847	321,502,571	3,675,889,442
1906.....	18,718,578	1,510,889,966	3,404,061	334,680,320	19,793,893	582,178,592	47,067,636	746,171,709	50,631,619	204,210,129	54,794,430	417,731,321	4,423,697,853
1907.....	19,746,583	1,846,578,412	3,816,692	428,063,613	20,963,205	645,496,900	51,565,731	881,557,398	53,240,282	211,736,040	56,084,000	339,080,004	4,331,230,000
1908.....	19,992,000	1,867,530,000	3,889,000	416,939,000	21,194,000	650,057,000	50,073,000	845,983,000	54,621,000	192,682,000	54,147,000	354,794,000	4,525,259,000
1909.....	20,610,000	1,974,092,000	4,053,000	437,082,000	21,720,000	702,945,000	49,379,000	863,751,000	56,081,000	(a)	(a)	(a)	4,925,173,610
1910 Census	19,833,113	(a)	4,209,769	(a)	20,630,122	(a)	41,173,744	(a)	52,447,861	(a)	58,158,676	(a)	(a)
April 15	20,277,000	2,259,981,000	4,323,000	544,359,000	20,823,000	892,209,000	39,679,000	815,154,000	53,633,000	209,546,000	65,620,000	615,170,000	5,276,438,000
1911.....	20,508,000	2,172,573,000	4,362,000	525,600,000	20,699,000	815,411,000	37,260,000	790,091,000	52,362,000	181,170,000	65,410,000	523,328,000	5,008,149,000
1912.....													

(a) The Bureau of Statistics, Department of Agriculture, estimated the value of live stock per head on January 1, 1910 as follows: Horses, \$198.19; mules, \$119.81; cows, \$35.79; other cattle, \$19.41; sheep, \$4.08; swine, \$9.14.

Production, imports, exports, and consumption of sugar (Continental United States), prices at New York, and world's production of sugar, 1885 to 1911

Year ended June 30—	Production in continental U. S. a		Brought from islands now designated as noncontiguous territories of U. S. b		Imports exclusive of noncontiguous territory.	Consumption in U. S. (continental). c	Percentage of consumption supplied by—			Per capita consumption in U. S. e		Prices per pound at New York.		World's production of sugar. a		Per cent of world's product summed in U. S.	Year ended June 30—
	Cane.	Beet.	From Porto Rico.	From Hawaii.	From Philippine Islands. c	Pounds.	Pounds.	Domestic.	Non-contiguous territory.	Foreign countries.	Lbs.	Raw centrifugal.	Ref'd granulated.	Total.	Per cent beet.		
1885	225,962,363	2,134,720	159,799,899	169,652,608	179,503,732	2,208,928,420	2,037,818,446	8.5	13.9	72.6	47.87	5.19	6.53	10,967,040,000	52.0	24.5	1885
1886	302,754,466	1,344,000	93,002,638	191,623,175	292,062,214	2,113,173,688	2,818,144,631	10.8	20.5	68.7	49.09	5.52	6.23	10,218,880,000	48.7	27.6	1886
1887	191,282,272	1,792,000	131,443,622	218,290,835	246,168,994	2,540,539,789	3,125,276,345	6.2	19.1	74.7	53.26	5.38	6.02	11,374,720,000	53.8	27.5	1887
1888	375,904,197	571,200	115,654,659	228,540,513	274,809,392	2,081,280,318	3,016,360,183	12.5	20.5	67.0	50.29	5.98	7.18	11,011,840,000	49.9	27.4	1888
1889	344,756,221	4,168,640	81,340,747	243,324,683	186,151,000	2,251,335,937	3,091,376,231	11.3	16.5	72.2	50.44	6.57	7.89	11,173,120,000	54.6	27.7	1889
1890	301,234,395	4,924,789	76,926,964	224,457,011	259,775,540	2,372,852,075	3,192,755,098	9.6	17.6	72.8	50.72	5.57	6.27	12,772,480,000	63.7	25.0	1890
1891	497,169,856	7,743,160	80,013,652	312,255,016	92,610,118	2,998,598,436	3,875,344,121	13.0	9.0	78.0	60.70	3.92	4.65	14,033,600,000	59.2	27.6	1891
1892	370,579,307	11,997,440	80,474,547	262,612,405	97,285,663	3,116,136,551	3,919,671,292	9.8	11.2	79.0	60.22	3.82	4.35	14,230,780,000	55.1	27.5	1892
1893	496,455,926	26,920,320	99,617,911	289,553,529	122,413,799	3,254,940,127	4,262,569,311	12.3	12.0	75.7	62.94	3.69	4.84	14,500,698,640	53.0	29.4	1893
1894	610,825,618	44,688,000	75,546,050	326,574,584	194,052,343	3,819,020,924	4,836,382,900	13.3	10.7	76.0	72.90	3.24	4.12	16,532,250,560	52.7	29.9	1894
1895	729,392,561	45,006,060	56,352,854	274,985,223	68,770,492	3,175,001,789	4,821,674,363	17.9	9.2	72.9	62.69	3.23	4.12	17,778,582,000	60.6	24.3	1895
1896	543,633,726	65,452,800	51,582,310	352,176,269	145,075,344	3,217,506,134	4,494,681,988	13.6	12.9	73.5	63.98	3.62	4.53	16,215,805,760	59.6	27.1	1896
1897	644,175,323	84,080,640	86,607,317	431,217,116	72,463,577	4,323,617,723	5,598,391,028	13.0	10.5	76.5	78.20	3.56	4.59	17,828,489,280	64.4	31.4	1897
1898	708,251,873	90,491,670	98,452,420	499,776,895	29,489,600	2,062,201,996	6,468,736,834	23.0	18.1	58.9	47.55	4.24	4.97	17,829,598,720	63.0	20.0	1898
1899	568,789,795	72,785,040	107,208,014	462,423,000	51,625,280	3,851,994,702	6,004,811,191	13.9	13.5	72.6	61.98	4.42	4.92	17,942,422,000	62.7	25.7	1899
1900	322,549,011	163,453,075	172,553,181	504,713,105	49,490,542	3,991,823,675	4,477,175,336	10.9	14.0	75.1	58.94	4.57	5.32	19,969,950,640	64.7	23.1	1900
1901	623,774,123	172,164,160	137,201,828	690,877,934	4,693,333	3,970,312,507	5,885,008,783	14.3	14.9	70.8	71.96	4.05	5.05	21,757,115,520	62.5	25.7	1901
1902	728,650,448	336,211,733	183,817,049	720,553,357	11,424,000	3,020,491,875	6,380,972,697	21.9	18.2	59.9	63.35	3.54	4.46	24,623,095,040	62.9	20.4	1902
1903	745,905,875	439,811,085	220,143,598	774,825,429	18,773,333	4,197,334,773	6,390,165,502	13.5	16.0	65.5	78.92	3.72	4.64	22,222,980,640	58.0	28.7	1903
1904	525,952,000	481,209,087	259,231,007	736,492,092	61,570,614	3,639,052,989	5,661,900,411	17.8	18.7	63.5	68.66	3.97	4.77	23,124,933,440	59.0	24.5	1904
1905	784,000,000	484,226,430	271,319,993	832,721,387	77,997,424	3,602,935,574	6,025,772,362	21.0	18.9	59.4	71.66	4.28	5.26	21,379,708,880	51.7	28.3	1905
1906	706,080,000	625,811,298	410,544,613	746,602,637	69,373,692	3,909,957,828	6,491,294,803	21.4	18.9	59.7	75.74	3.69	4.52	21,379,708,880	51.7	20.8	1906
1907	544,320,000	967,294,000	408,149,992	821,014,811	25,164,756	4,866,675,219	7,089,668,935	21.3	17.7	61.0	81.19	3.76	4.65	32,419,892,400	49.4	21.9	1907
1908	927,256,430	927,256,430	469,266,082	1,077,570,637	38,408,000	3,333,589,112	6,590,822,991	26.0	24.0	50.0	74.11	4.07	4.86	31,181,106,880	50.3	21.1	1908
1909	928,800,000	928,800,000	488,452,733	1,022,863,928	38,648,000	4,105,710,716	7,283,368,552	22.0	21.9	56.4	80.43	4.00	4.76	32,599,871,360	47.6	22.3	1909
1910	750,400,000	1,024,988,000	569,039,881	1,110,594,466	175,869,739	3,918,598,677	7,300,130,811	22.4	25.2	52.6	79.90	4.19	4.97	33,437,362,560	44.1	92.0	1910
1911	306,640,000	1,020,344,000	645,834,403	1,011,215,856	230,351,485	3,707,583,445	7,222,533,746	22.8	26.1	51.1	77.01	4.468	5.345	138,017,792,960	150.4	119.0	1911

d Figures relate to continental United States after 1900.

e Expressed mainly in terms of raw sugar.

f Figures of production are preliminary.

a Production is of the season preceding the fiscal year.

b Exclusive of small amounts coming through Alaska.

c From 1869 to 1885 "All other Spanish possessions."

Progress of manufactures in the United States—Comparative summary, 1850 to 1910, with per cent of increase for each decade.

[From the United States Census Report of Manufactures.]

	Date of Census					Per cent of increase								
	1850.	1860.	1870.	1880.	1890.	1900a	1905a	1910a	1850 to 1860	1860 to 1870	1870 to 1880	1880 to 1890	1890 to 1900	1900 to 1910
Number of establishments-----	123,025	140,433	252,148	253,852	355,475	207,511	216,189	248,491	14.1	79.6	0.7	40.0	4.2	24.2
Capital-----	\$533,245,351	\$1,009,855,715	\$2,118,208,760	\$2,790,272,606	\$3,525,156,486	\$8,975,253,060	\$12,675,581,000	\$18,428,270,000	89.4	109.8	31.7	133.9	41.2	45.4
Salaries-----	(3)	(b)	(b)	(b)	\$301,984,204	\$384,124	519,553	790,267	---	---	---	---	---	---
Wage-earners, average number-----	957,079	1,311,246	2,053,996	2,732,595	4,251,613	\$390,771,000	\$574,439,000	\$938,575,000	---	---	---	---	---	---
Total wages-----	\$236,755,461	\$378,878,906	\$775,584,313	\$947,953,795	\$1,891,228,321	4,712,763	5,468,383	6,615,946	37.0	53.6	33.0	57.6	15.0	21.0
Men, 16 years and over-----	731,137	1,040,349	1,615,598	2,019,035	3,327,072	\$2,008,361,000	\$2,610,445,000	\$3,427,038,000	60.0	104.7	22.2	99.5	30.0	31.3
Wages-----	(3)	(b)	(b)	(b)	\$1,659,234,483	---	---	---	12.3	55.3	25.0	64.8	---	---
Women, 16 years and over-----	2,225,922	270,897	323,770	531,639	803,686	---	---	---	19.9	19.5	61.2	51.2	---	---
Wages-----	(3)	(b)	(b)	(b)	\$215,367,976	---	---	---	---	---	---	---	---	---
Children, under 16 years-----	(3)	(b)	114,638	181,921	120,885	---	---	---	---	---	---	---	---	---
Wages-----	(3)	(b)	(b)	(b)	\$16,625,862	---	---	---	---	---	---	---	---	---
Miscellaneous expenses-----	(5)	(e)	(e)	(e)	\$531,225,035	\$505,442,000	\$1,453,168,000	\$1,945,676,000	---	---	---	---	---	---
Cost of material used-----	\$555,123,822	\$1,031,605,092	\$2,488,427,242	\$3,396,823,549	\$5,162,044,076	\$6,575,851,000	\$8,500,208,000	\$12,141,791,000	85.8	141.2	36.5	52.0	29.3	42.9
Value of products, including custom work and repairing-----	\$1,019,106,616	\$1,885,861,076	\$4,232,325,442	\$5,369,579,191	\$9,372,437,283	11,406,927,000	\$14,793,903,000	\$20,672,052,000	85.1	124.4	26.9	74.5	20.9	39.7

^a The figures for 1900, 1905 and 1910 are exclusive of neighborhood industries and hand trades included in prior censuses. They also relate to Continental United States.

^b Not reported separately.

^c Includes proprietors and firm members, with their salaries; number only reported in 1900, but not included in this table.

^d Decrease.

^e Not reported.

Chief manufacturing industries, showing sums paid in wages and number of employees.

[Source: Reports of the Bureau of the Census, Department of Commerce and Labor. The figures for some industries do not represent the total production, because important establishments that manufacture the same class of products may be included in other industries. Primary horsepower includes power generated in manufacturing establishments plus electric and other power rented from outside sources; it does not include electric power generated by primary units of the establishments reporting. In the statistics of power for 1899 there is a difference of \$154,723 horsepower between the total and the sum of the figures for the various industries. This is due to the impossibility of making a correct revision of the figures for each industry for comparison with 1904 and 1909. A minus sign (—) denotes decrease.]

Industry.	Cen- sus year.	Num- ber of estab- lish- ments.	Capital expres- sed in thous- ands.	Wage earners (aver- age num- ber).	Expressed in thousands.		
					Wages.	Cost of mate- rials.	Value of prod- ucts.
			Dollars.		Dollars.	Dollars.	Dollars.
Agricultural implements	1909	640	256,281	50,551	28,609	60,307	146,329
	1904	648	196,741	47,394	25,003	48,281	112,007
	1899	715	157,708	46,582	22,451	43,945	101,207
Boots and shoes, in- cluding cut stock and findings.	1909	1,918	222,324	198,297	98,463	332,738	512,798
	1904	1,895	136,802	160,294	73,072	225,288	357,688
	1899	2,253	110,363	151,231	61,924	191,456	290,047
Bread and other bakery products.	1909	23,926	212,910	100,216	59,351	238,034	396,865
	1904	18,226	122,353	81,278	43,172	155,989	269,583
	1899	14,836	80,902	60,192	27,864	95,052	175,369
Carriages and wagons and materials.	1909	5,492	175,474	69,928	37,595	81,951	159,893
	1904	5,588	152,345	77,832	38,363	77,528	155,869
	1899	6,792	128,962	73,812	33,565	66,772	138,262
Cars and general shop construction and re- pairs by steam-rail- road companies.	1909	1,145	238,317	282,174	181,344	199,413	405,601
	1904	1,140	146,886	236,870	142,153	151,105	309,775
	1899	1,292	119,473	173,595	96,007	109,472	218,114
Cars and general shop construction and re- pairs by street-rail- road companies.	1909	541	38,899	22,418	14,486	15,168	31,963
	1904	86	12,906	11,052	7,013	5,463	13,437
	1899	108	10,782	7,025	4,406	4,837	9,371
Cars, steam-railroad, not including opera- tions of railroad companies.	1909	110	139,805	43,066	27,135	78,758	123,730
	1904	73	88,179	34,058	20,248	75,657	111,175
	1899	65	88,324	33,453	16,987	61,743	90,510
Cars, street-railroad, not including opera- tions of railroad companies.	1909	14	14,168	3,583	2,177	4,269	7,810
	1904	14	12,976	4,730	2,840	5,341	10,844
	1899	20	7,615	3,585	1,951	3,967	7,306
Chemicals -----	1909	349	155,144	23,714	14,085	64,122	117,689
	1904	275	96,621	19,806	10,790	42,063	75,222
	1899	433	89,069	19,020	9,393	34,546	62,637
Clothing, men's, includ- ing shirts.	1909	6,354	275,820	239,696	106,277	297,515	568,077
	1904	5,145	176,557	173,689	68,459	211,433	406,768
	1899	6,419	140,191	157,549	56,391	168,169	323,839
Clothing, women's ----	1909	4,558	129,301	153,743	78,568	208,785	384,752
	1904	3,351	73,948	115,705	51,180	130,720	247,662
	1899	2,701	48,432	83,789	32,586	84,705	159,340
Confectionery -----	1909	1,944	68,326	44,638	15,615	81,151	134,796
	1904	1,348	43,125	36,239	11,699	48,810	87,087
	1899	962	26,319	26,866	8,020	35,354	60,644
Cordage and twine, jute and linen goods.	1909	164	76,020	1,314	9,133	40,915	61,020
	1904	145	56,467	1,050	8,824	46,031	64,664
	1899	160	43,153	682	6,554	33,004	49,078
Cotton goods, includ- ing cotton small wares.	1909	1,324	822,238	8,514	132,859	371,009	628,392
	1904	1,154	613,111	6,981	96,206	286,255	450,468
	1899	1,055	467,240	4,902	86,690	176,552	339,200
Electrical machinery, apparatus, and sup- plies.	1909	1,009	267,844	87,256	49,381	108,566	221,309
	1904	784	174,066	60,466	31,842	66,837	140,809
	1899	581	83,660	42,013	20,579	49,458	92,434
Flour-mill and grist- mill products.	1909	11,691	349,152	39,453	21,464	767,576	853,584
	1904	10,051	265,117	39,110	19,822	619,971	713,033
	1899	9,476	189,281	32,226	16,285	428,117	501,396
Foundry and machine- shop products.	1909	13,253	1,514,332	74,623	321,521	540,011	1,228,475
	1904	10,765	1,084,135	49,406	246,573	367,412	880,514
	1899	11,046	790,741	34,286	219,870	363,036	798,454
Furnishing goods, men's	1909	908	49,009	38,482	15,093	49,125	87,710
	1904	545	28,044	27,185	8,760	26,565	49,032
	1899	454	20,576	30,322	9,730	23,670	44,346
Furniture and refrig- erators.	1909	3,155	227,134	128,452	65,618	108,775	239,886
	1904	2,593	158,986	114,165	51,788	76,892	177,795
	1899	1,909	109,267	90,591	36,920	57,406	130,634

Industry.	Cen- sus year.	ber of -work estab- lish- ments.	Capital express- ed in thous- ands.	Wage earners (ave- rage num- ber).	Wages.	Cost of mate- rials.	Value of prod- ucts.
					Expressed in thousands.		
Glass -----	1909	363	129,288	68,911	39,300	32,119	92,095
	1904	399	89,389	63,969	37,288	26,146	79,608
	1899	355	61,424	52,812	27,085	16,731	56,540
Hosiery and knit goods	1909	1,374	163,641	139,275	44,740	110,241	200,143
	1904	1,144	106,943	104,092	31,615	76,789	137,076
	1899	1,066	82,066	83,691	24,434	51,195	95,834
Iron and steel, blast furnaces.	1909	208	487,581	38,429	24,697	320,638	391,429
	1904	190	236,146	35,078	18,935	178,942	231,823
	1899	223	143,159	39,241	18,484	131,504	206,757
Iron and steel, steel works and rolling mills.	1909	446	1,004,735	20,639	163,201	657,501	985,723
	1904	415	700,182	14,330	122,492	441,204	673,965
	1899	445	430,232	7,454	102,336	390,895	597,212
Jewelry -----	1909	1,537	63,811	4,799	18,358	36,675	80,350
	1904	1,023	39,679	2,693	12,593	24,177	53,226
	1899	851	27,872	1,806	10,644	22,235	46,129
Leather, tanned, cur- ried and finished.	1909	919	332,727	62,202	32,103	248,279	327,874
	1904	1,049	242,584	57,239	27,049	191,179	252,621
	1899	1,306	173,977	52,109	22,591	155,000	204,038
Liquors, distilled ----	1909	613	72,450	6,430	3,074	35,977	204,699
	1904	805	50,101	5,355	2,657	25,626	131,270
	1899	965	32,540	3,720	1,733	15,145	96,794
Liquors, malt -----	1909	1,414	671,158	54,579	41,206	96,596	374,730
	1904	1,530	515,630	48,137	34,541	74,907	298,346
	1899	1,507	413,767	39,459	25,776	51,593	236,915
Lumber and timber products.	1909	40,671	1,176,675	41,145	318,739	508,118	1,156,129
	1904	25,153	733,708	30,038	245,834	360,325	884,267
	1899	28,133	541,595	20,940	188,395	364,964	760,992
Lumber and timber products.	1909	40,671	1,176,675	784,989	318,739	508,118	1,156,129
	1904	25,153	733,708	593,342	245,834	360,325	884,267
	1899	28,133	541,595	-----	188,395	364,964	760,992
Marble and stone work.	1909	4,964	114,842	77,275	42,546	37,397	113,093
	1904	2,608	79,170	57,866	31,899	26,569	84,844
	1899	2,952	52,982	-----	22,843	21,546	63,667
Paper and wood pulp--	1909	777	409,348	75,978	40,805	165,442	267,657
	1904	761	277,444	65,964	32,019	111,252	188,715
	1899	763	167,508	49,616	20,746	70,580	127,326
Patent medicines and compounds and drug- gists' preparations.	1909	3,642	99,942	22,895	9,897	50,376	141,942
	1904	2,777	75,607	20,472	7,913	39,494	117,436
	1899	2,154	56,173	19,028	6,910	31,950	88,791
Petroleum, refining ---	1909	147	181,916	13,929	9,830	199,273	236,998
	1904	98	136,281	16,770	9,989	139,387	175,005
	1899	67	95,328	12,199	6,717	102,859	123,929
Printing and publishing	1909	31,445	588,346	258,434	164,628	201,775	737,876
	1904	27,793	432,854	219,087	127,196	142,514	552,473
	1899	23,814	333,003	195,260	99,816	103,654	395,187
Rubber goods, not else- where specified.	1909	227	98,507	26,521	14,120	82,192	128,436
	1904	224	46,298	21,184	9,412	38,912	62,996
	1899	261	39,302	20,404	8,082	33,482	52,622
Silk and silk goods; including throwster.	1909	852	152,158	99,037	38,570	107,767	196,912
	1904	624	109,557	79,601	26,768	75,861	133,283
	1899	483	81,082	65,416	20,982	62,407	107,256
Slaughtering and meat packing.	1909	1,641	383,249	89,728	51,645	1,201,828	1,370,568
	1904	1,221	240,419	75,399	41,067	811,426	922,038
	1899	1,080	190,209	69,264	33,846	685,310	788,868
Smelting and refining, copper.	1909	38	111,443	15,623	13,396	333,532	378,806
	1904	40	76,825	12,752	10,827	196,737	240,780
	1899	47	53,063	11,324	8,529	122,174	165,132
Smelting and refining, lead.	1909	28	132,310	7,424	5,431	151,963	167,406
	1904	32	63,823	7,573	5,375	168,958	185,827
	1899	39	72,149	8,319	5,089	144,195	175,466
Soap -----	1909	420	71,951	12,999	6,297	72,179	111,358
	1904	436	54,816	11,044	4,763	43,626	68,275
	1899	558	38,068	9,487	3,755	33,143	53,231
Sugar and molasses, not including beet sugar.	1909	233	153,167	13,526	7,484	247,583	279,249
	1904	344	165,468	13,549	7,576	244,753	277,285
	1899	657	184,033	14,129	6,918	221,385	239,711
Tobacco manufactures	1909	15,892	245,660	166,810	69,355	177,186	416,695
	1904	16,827	323,982	159,406	62,639	126,086	331,111
	1899	14,959	111,517	132,526	47,975	62,867	263,713
Wire -----	1909	56	60,157	18,084	10,316	60,543	84,486
	1904	25	14,899	4,737	2,859	30,063	37,914
	1899	29	4,242	1,603	860	7,014	9,421
Woolen, worsted, and felt goods, and wool hats.	1909	985	430,579	168,722	72,427	282,878	435,979
	1904	1,074	314,081	146,755	57,073	204,613	319,348
	1899	1,281	265,730	130,697	46,812	153,930	248,798

Wholesale prices of boots and shoes, 1897—1902, and 1908—1912.
[From Dun's Review.]

First week in—	Men's grain shoes	Men's satin shoes	Wax brogans No. 1	Men's kip shoes	Men's calf shoes	Men's split boots	Men's kip boots	Men's calf boots	Women's grain shoes	Women's split shoes
1897 Jan. ---	\$1.07½	\$1.17½	\$0.97½	\$1.10	\$1.75	\$1.30	\$1.35	\$2.25½	\$0.87½	\$0.85
April ---	1.05	1.17½	.92½	1.10	1.70	1.30	1.32½	2.15	.90	.67½
July ---	.97½	1.15	.90	1.05	1.70	1.25	1.27½	2.15	.85	.65
Oct. ---	1.02½	1.17½	.95	1.10	1.77½	1.27½	1.32½	2.25	.90	.67½
1898 Jan. ---	1.02½	1.15	.92½	1.07½	1.75	1.25	1.32½	2.25	.87½	.67½
April ---	.97½	1.13	.92½	1.07½	1.70	1.25	1.30	2.22½	.85	.65
July ---	1.00	1.17½	.95	1.10	1.72½	1.27½	1.32½	2.25	.85	.65
Oct. ---	.97½	1.17½	.92½	1.07½	1.70	1.25	1.30	2.22½	.85	.65
1899 Jan. ---	.95	1.12½	.92½	1.07½	1.70	1.25	1.30	2.22½	.85	.65
April ---	1.00	1.15	.95	1.12½	1.70	1.27½	1.35	2.25	.85	.65
July ---	1.02½	1.17½	.97½	1.12½	1.70	1.32½	1.35	2.27½	.87½	.67½
Oct. ---	1.12½	1.25	1.02½	1.17½	1.80	1.40	1.42½	2.37½	.97½	.75
1900 Jan. ---	1.21½	1.25	1.02½	1.20	1.80	1.40	1.47½	2.35	.97½	.75
April ---	1.07½	1.17½	.97½	1.15	1.77½	1.35	1.40	2.30	.95	.72½
July ---	1.05	1.12½	.97½	1.15	1.75	1.35	1.42½	2.30	.95	.70
1902 Jan. ---	1.50	1.30	1.17½	1.30	1.97½	1.80	1.70	2.70	1.40	1.07½
April ---	1.47½	1.25	1.10	1.25	1.95	1.70	1.60	2.60	1.37½	1.07½
Oct. ---	1.52½	1.35	1.10	1.25	1.95	1.70	1.60	2.60	1.37½	1.07½
1902 Jan. ---	1.52½	1.35	1.15	1.27½	2.00	1.75	1.62½	2.62½	1.42½	1.12½
April ---	1.52½	1.35	1.15	1.27½	2.00	1.75	1.62½	2.62½	1.42½	1.12
July ---	1.62½	1.42½	1.22½	1.37½	2.12½	2.05	1.75	2.75	1.52½	1.20
Oct. ---	1.67½	1.47½	1.27½	1.42½	2.17½	2.10	1.80	2.80	1.57½	1.25
1910 Jan. ---	1.77½	1.57½	1.35	1.52½	2.50	2.20	1.90	3.50	1.65	1.35
April ---	1.75	1.55	1.32½	1.50	2.47½	2.17½	1.87½	3.42½	1.62½	1.32½
July ---	1.75	1.55	1.32½	1.50	2.47½	2.17½	1.87½	3.42½	1.62½	1.32½
Oct. ---	1.65	1.45	1.25	1.40	2.30	2.00	1.70	3.20	1.52½	1.20
1911 Jan. ---	1.60	1.40	1.20	1.35	2.25	1.80	1.65	3.15	1.50	1.10
April ---	1.60	1.40	1.20	1.25	2.15	1.80	1.65	3.15	1.50	1.10
July ---	1.60	1.40	1.20	1.25	2.15	1.80	1.65	3.15	1.50	1.10
Oct. ---	1.60	1.45	1.20	1.30	2.35	1.85	1.70	3.20	1.50	1.10
1912 Jan. ---	1.65	1.45	1.25	1.40	2.35	1.85	1.70	3.20	1.52½	1.10
April ---	1.65	1.45	1.25	1.40	2.35	1.85	1.70	3.20	1.52½	1.10
July ---	1.65	1.45	1.25	1.40	2.35	1.85	1.70	3.20	1.52½	1.10

Think of it, you producers and manufacturers and merchants and traders and bankers and transporters, think of it! The market of our own country, the home market, in which you can transport your goods from the door of the factory to the door of the consumer, without breaking bulk a single time, is equal to the entire international commerce of the world.—O. P. Austin, at Rochester.

The course of the Republican party, since its organization in 1856, and its real assumption of control in 1861, down to the present day, is remarkable for the foresight and ability of its leaders, for the discipline and solidarity of its members, for its efficiency and deep sense of responsibility for the preservation and successful maintenance of the government, and for the greatest resourcefulness in meeting the various trying and difficult issues which a history of now a full half-century have presented for solution.—Hon. Wm. H. Taft, at Kansas City, Mo.

Prices of Principal Agriculture Products on the Farm December 1, 1892, to December 1, 1911.

[From report of Department of Agriculture.]

Farm prices of wheat per bushel.

State or Territory.	1892	1896	1900	1908	1909	1910	1911
Maine -----	\$1.02	\$0.84	\$0.90	\$1.04	\$1.10	\$1.02	\$1.10
New Hampshire -----	1.00	1.00	.92				
Vermont -----	.96	.93	.78	.99	1.20	1.03	.99
Connecticut -----	.87		.82				
New York -----	.85	.88	.77	.99	1.11	.96	.95
New Jersey -----	.83	.89	.74	1.01	1.09	.98	.96
Pennsylvania -----	.81	.83	.72	.99	1.09	.92	.92
Delaware -----	.75	.87	.70	1.00	1.04	.90	.90
Maryland -----	.74	.88	.71	.98	1.10	.92	.91
Virginia -----	.76	.80	.72	1.01	1.15	.97	.96
West Virginia -----	.75	.78	.77	1.03	1.13	1.02	1.02
North Carolina -----	.89	.83	.82	1.07	1.27	1.10	1.02
South Carolina -----	.93	.89	1.01	1.30	1.46	1.26	1.23
Georgia -----	.90	.89	.95	1.21	1.45	1.30	1.14
Ohio -----	.68	.78	.71	.99	1.12	.90	.91
Indiana -----	.64	.80	.70	.93	1.10	.87	.89
Illinois -----	.63	.74	.64	.97	1.04	.88	.89
Michigan -----	.67	.84	.69	.97	1.12	.89	.88
Wisconsin -----	.62	.70	.64	.92	.96	.92	.90
Minnesota -----	.61	.63	.63	.94	.96	.94	.92
Iowa -----	.60	.62	.59	.88	.93	.85	.88
Missouri -----	.58	.70	.63	.93	1.05	.87	.83
North Dakota -----	.52	.64	.58	.92	.92	.90	.89
South Dakota -----	.51	.62	.58	.92	.90	.89	.91
Nebraska -----	.50	.58	.53	.84	.89	.80	.87
Kansas -----	.52	.63	.55	.88	.96	.84	.91
Kentucky -----	.67	.76	.69	.98	1.11	.93	.92
Tennessee -----	.68	.74	.79	.99	1.15	.93	.96
Alabama -----	.93	.85	.80	1.07	1.30	1.13	1.00
Mississippi -----	.90	.82	.84	1.03	1.21	1.16	1.00
Texas -----	.75	.75	.64	.98	1.18	.98	1.00
Indian Territory -----							
Oklahoma -----		.68	.53	.88	1.01	.87	.92
Arkansas -----	.80	.71	.65	.95	1.10	.94	.90
Montana -----	.69	.66	.61	.86	.87	.86	.77
Wyoming -----	.66	.62	.76	.85	.99	.95	.94
Colorado -----	.58	.61	.59	.88	.93	.82	.84
New Mexico -----	.80	.66	.68	.94	1.17	1.00	1.00
Arizona -----	.78	.80	.79	1.20	1.39	1.20	.95
Utah -----	.62	.68	.55	.85	.90	.84	.70
Nevada -----	.75	.69	.70	1.13	1.04	1.09	.95
Idaho -----	.60	.65	.46	.74	.87	.72	.66
Washington -----	.58	.74	.51	.82	.93	.78	.71
Oregon -----	.64	.72	.55	.84	.93	.84	.75
California -----	.68	.83	.58	1.02	1.11	.94	.83
General average -----	.624	.726	.619	92.8	98.6	88.3	87.4

This brings me to the question of arbitration. It goes without saying that where an adjustment cannot be reached by negotiation, it is far better for the community at large that the differences be settled by submission to an impartial tribunal and agreement to abide its judgment than to resort to a trial of resistance and endurance by lockouts and strikes.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned. It is important, however, that appeals to judicial remedies should be limited in such a way that parties will not use them merely to delay and so clog efficient and just executive or legislative action.—Hon. Wm. H. Taft, at Columbus, Ohio.

Efficient regulation is the very antidote and preventive of socialism and government ownership. The railroads, until now, have been permitted to wield without any real control the enormously important franchise of furnishing transportation to the entire country. In certain respects they have done a marvelous work and have afforded transportation at a cheaper rate per ton, per mile, and per passenger, than in any country in the world. They have, however, many of them, shamefully violated the trust obligation they have been under to the public of furnishing equal facilities at the same price to all shippers. They have been weighed in the balance and found wanting. The remedy for the evils must be radical to be effective. If it is not so, then we may certainly expect that the movement toward government ownership will become a formidable one that cannot be stayed.—Hon. Wm. H. Taft, at Columbus, Ohio.

Farm values, corn per bushel.

State or Territory.	1892	1896	1900	1908	1910	1910	1911
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
Maine	67	47	55	84	80	71	90
New Hampshire	65	45	55	79	76	69	82
Vermont	64	38	50	78	73	66	80
Massachusetts	62	46	54	81	81	70	83
Rhode Island	63	49	67	90	97	83	95
Connecticut	62	42	55	80	75	63	83
New York	60	38	47	80	74	63	77
New Jersey	58	36	45	69	71	60	71
Pennsylvania	57	33	45	73	70	59	68
Delaware	44	25	38	59	58	52	61
Maryland	45	32	41	62	65	58	63
Virginia	53	32	49	71	74	65	73
West Virginia	56	34	50	77	74	68	77
North Carolina	54	37	57	79	85	76	82
South Carolina	57	46	64	91	90	82	91
Georgia	56	43	57	82	86	78	83
Florida	60	53	60	82	83	85	89
Ohio	42	21	34	63	56	46	58
Indiana	40	19	32	60	50	40	54
Illinois	37	18	32	57	52	38	55
Michigan	46	24	37	64	61	53	65
Wisconsin	38	22	33	61	60	52	60
Minnesota	37	19	29	55	49	45	53
Iowa	32	14	27	52	49	36	53
Missouri	36	20	32	57	59	44	60
North Dakota	40	25	42	60	55	58	60
South Dakota	33	18	29	50	50	40	53
Nebraska	28	13	31	51	50	36	55
Kansas	31	18	32	55	54	45	63
Kentucky	40	25	40	65	62	53	63
Tennessee	43	28	49	64	70	56	61
Alabama	52	45	58	83	85	71	78
Mississippi	51	44	58	83	81	63	72
Louisiana	50	45	50	70	69	55	70
Texas	45	41	47	59	76	63	80
Indian Territory							
Oklahoma			26	51	55	51	70
Arkansas	47	37	43	66	72	53	72
Montana	70	60	59	90	86	95	80
Wyoming	61	78	60	76	78	66	76
Colorado	40	36	48	71	70	60	78
New Mexico	72	55	64	80	90	90	84
Arizona				1.05	1.00	1.10	97
Utah	53	51	63	72	87	84	81
Idaho				70	87	1.00	90
Washington	60	57	59	76	86	75	79
Oregon	56	56	57	77	80	80	80
California	55	53	61	88	91	80	90
General average	39.4	21.5	35.7	60.6	57.9	48.0	61.8

Under existing conditions the blindest course that an employer of labor can pursue is to decline to recognize labor unions as the controlling influence in the labor market and to insist upon dealing only with his particular employees.—Hon. Wm. H. Taft, at Cooper Union, New York City.

I do not know any place which thrills one's bosom with patriotic ecstasy as the sepulchre of the unknown dead in Arlington Cemetery. The thought of the heroism and sacrifice of those who, without a murmur and without even hope of personal credit or glory, gave up all to maintain a sacred cause, makes all motives of personal advancement of ambition seem small and sordid.—Hon. Wm. H. Taft, at Riverside Park, New York City.

If I am elected President, I shall urge upon Congress, with every hope of success, that a law be passed requiring a filing in a Federal office of a statement of the contributions received by committees and candidates in elections for members of Congress and in such other elections as are constitutionally within the control of Congress.—From Hon. Wm. H. Taft's speech accepting presidential nomination.

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only requires the effects of a panic through which we are passing, or through which we passed in 1893 to 1897, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, at Cooper Union, New York City.

Annual average of wholesale prices during calendar years.

[The figures presented in this table are the annual average wholesale price of each article in the year named. They are based, for the earlier years, upon the Aldrich tables, and in the later years upon the quotations of the Labor Bureau of the Department of Commerce and Labor. The annual averages are the result of the combination of a large number of quotations made at various periods during the years in question.]

Articles	1890.	1900.	1903.	1908.	1910.
	Dollars	Dollars	Dollars	Dollars	Dollars
Food, etc.:					
Butter, creamery extra-----lb--	0.2276	0.2245	0.2348	0.2711	0.3037
Coffee, Rio, fair and No. 7-----lb--	.1793	.0822	.0559	.0628	.0952
Flour, wheat-----bbl--	5.1853	3.8123	4.3303	5.4183	5.4952
Flour, rye-----bbl--	3.3646	3.4250	3.1479	4.7375	4.2292
Fruit:					
Apples, evaporated-----lb--	.1136	.0615	.0611	.0833	.0836
Currants-----lb--	.0478	.0720	.0476	.0609	.0351
Raisins, California, London layers-----box--	2.3604	1.5208	1.4458	1.8100	1.2240
Lard, prime-----lb--	.0633	.0690	.0877	.0908	.1253
Meat:					
Beef, fresh, native sides-----lb--	.0688	.0804	.0784	.0934	.1027
Salt, extra mess-----bbl--	6.9593	9.7538	9.0673	13.1837	14.5888
Ham-----lb--	.0955	.1025	.1271	.1125	.1644
Pork, salt, mess-----bbl--	12.1502	12.5072	16.6514	15.9736	23.7880
Bacon-----lb--	.0603	.0752	.0959	.0901	.1332
Molasses, New Orleans, prime-----gal--	.3542	.4775	.3546	.3550	.3704
Rice-----lb--	.0905	.0548	.0536	.0624	.0547
Salt-----bbl--	.7921	1.0010	.6140	.7854	.7546
Spices:					
Nutmegs-----lb--	.6317	.2601	.2877	-----	-----
Pepper-----lb--	.1151	.1291	.1289	.0715	.0800
Starch, pure-----lb--	.0546	.0500	.0507	.0575	.0000
Sugar:					
96° centrifugal-----lb--	.0546	.04572	.03720	.04064	.04188
Refined, granulated-----lb--	.06168	.05332	.04641	.04940	.04956
Tallow-----lb--	.0460	.0485	.0510	.0551	.0729
Farm products:					
Wheat, cash-----bush--	.8933	.7040	.78955	.9899	1.0973
Wheat, No. 2, red winter-----bush--	.983	.804	.853	1.0488	1.1180
Wheat, contract grades, cash-----bush--	.8933	.7040	.7895	-----	-----
Corn, No. 2, cash-----bush--	.5950	.3811	.4606	.6843	.5810
Oats, cash-----bush--	.3166	.2271	.3541	.5095	.3856
Rye, No. 2, cash-----bush--	.5447	.5177	.5156	.7825	.7774
Barley, by sample-----bush--	.5062	.4815	.5194	.7336	.7197
Flaxseed, No. 1-----bush--	1.3967	1.6223	1.0471	1.2019	2.2671
Cattle:					
Steers, choice to extra-----100 lbs--	4.8697	5.7827	5.5678	6.8163	7.7712
Steers, good to choice-----100 lbs--	4.1375	5.3938	5.0615	5.9976	7.0173
Hogs:					
Heavy-----100 lbs--	3.9534	5.0815	6.0572	5.7986	8.9428
Light-----100 lbs--	3.9260	5.1135	6.0341	5.6346	9.0091
Sheep:					
Native a-----100 lbs--	4.5284	4.1236	3.7101	4.9505	5.5438
Western b-----100 lbs--	4.6644	4.5207	3.8769	4.8115	5.3947
Hides, green, salted, packers' heavy native steers-----lb--	.0933	.1194	.1169	.1336	.1546
Hay, timothy, No. 1-----ton--	9.9952	11.5673	12.4279	12.3365	17.2692
Hops, New York State, choice-----lb--	.2621	.1483	.2825	.1188	.2588
Cotton, upland, middling-----lb--	.11089	.09606	.11235	.10403	.15118
Wool:					
Ohio, Medium fleece, scoured-----lb--	.6113	.5296	.4658	.4899	.4884
Ohio, fine fleeced, scoured-----lb--	.7156	.6504	.6546	.7163	.6832
Cloths and clothing:					
Bags, 2-bush., Amoskeag-----each--	.1594	.1575	.1458	.1879	.2042
Boots and shoes:					
Men's brogans-----pair--	1.0500	.9375	.9250	1.1354	1.1375
Men's split boots-----doz pairs--	17.000	18.000	18.500	-----	-----
Women's solid grain shoes-----pair--	.8500	.9042	.8375	.9688	1.0229
Calico, Cocheo prints c-----yd--	.0650	.0525	.0504	.0519	.0531
Carpets:					
Ingrain, 2-ply, Lowell-----yd--	.5160	.4920	.5136	.5540	.5280
Wilton, five-frame Bigelow-----yd--	1.9200	1.8720	2.0080	2.2160	2.2320
Cotton thread, 6-cord, 200 yards, J. & P. Coats-----spool--	.0315	.0372	.0372	.0408	.0392
Denims, Amoskeag-----yd--	.1175	.1073	.1127	.1160	.1450
Drillings, Stark A-----yd--	.0640	.0542	.0581	.0718	.0857
Ginghams, Amoskeag-----yd--	.0625	.0515	.0550	.0518	.0700

a After 1907 "Wether's, good to fancy." b After 1907 "Wether's plain to choice."

c After 1903 "American Standard," 64 by 64.

Annual average of wholesale prices—Continued.

Articles	1890.	1900.	1903.	1908.	1910.
	Dollars	Dollars	Dollars	Dollars	Dollars
Print cloths, 28-inch, 64					
by 64 -----yd--	.0334	.0308	.0321	.0334	.0352
Shirtings, bleached, 44 Fruit					
of loom -----yd--	.0845	.0753	.0767	.0913	.0917
Shirtings, bleached, 44 Lons-					
dale -----yd--	.0845	.0731	.0755	.0873	.0892
Tickings, Amoskeag, A. O.					
-----yd--	.1200	.1084	.1104	.1125	.1285
Women's dress goods:					
Cotton warp alapaca, 22					
in. Hamilton -----yd--	.0735	.0711	.0690	(c)	(c)
Cotton warp cashmere,					
22 in. Atlantic F -----yd--	.1813	.1642	.1679	.2107	.2279
Cotton warp cashmere, 27					
in. Hamilton d -----yd--	.0980	.0832	.0894	.1911	.1911
Cashmere, all wool, At-					
lantic J e -----yd--	.3479	.3459	.3320	.3185	.3675
Fuel and lighting:					
Coal, anthracite stove -----ton--	3.7108	3.9451	4.8245	4.8226	4.8178
bituminous -----ton--	2.9875	2.9083	4.4375	3.0792	3.0467
Metals and implements:					
Nails, cut -----100 lbs--	2.2875	2.2500	2.1958	1.9500	1.8438
Wire -----100 lbs--	2.9646	2.6333	2.0750	2.1010	1.8575
Barbed wire:					
galvanized -----100 lbs--	3.5665	3.3942	2.7375	2.6217	2.1325
Pig iron, No. 1 foundry -----ton--	18.4083	19.9800	19.9158	17.7000	17.3617
Steel rails -----ton--	31.7792	32.2875	28.0000	28.0000	28.0000
Bar iron, best refined					
(Philadelphia) -----lb--	.0205	.0193	.0200	.0170	.0185
Copper, sheet -----lb--	.2275	.2067	.1917	.1792	.1803
Quicksilver -----lb--	.7300	.6769	.6342	.6100	.6492
Lead, pig -----lb--	.0440	.0445	.0428	.0422	.0448
Lead pipe -----100 lbs--	5.4000	5.1208	5.1958	4.7400	5.0608
Saws, hand, Disston's -----doz--	12.409	12.600	12.600	12.95	12.95
Shovels, Ames' No. 2 -----doz--	7.8700	9.1200	8.0200	7.8217	7.7383
Spelter (Western) -----lb--	.0554	.0442	.0558	.0475	.0563
Lumber and building materials:					
White oak, plain -----M. feet--	37.8750	40.8333	44.8333	49.2917	54.2500
Pine boards, white -----M. feet--	44.0833	57.5000	80.0000	(c)	(c)
Shingles, white pine -----M--	3.8417	4.0000	a3.6500	(c)	(c)
Doors, pine -----each--	1.3750	1.5900	1.7292	(e)	(c)
Lime, common -----bbl--	.9792	.6833	.7875	1.0450	1.0450
Brick, common domestic -----M--	6.5325	5.2500	5.9033	5.1042	5.7188
Cement, Rosendale -----bbl--	1.0542	1.0167	.5896	.95	.9458
Rope, Manila, 7-16-inch f -----lb--	.1494	.1320	b.1146	.1015	.0879
Putty -----lb--	.0175	.0190	.0140	.0120	.0115
Carbonate of lead in oil -----lb--	.0633	.0625	.0615	.0650	.0692
Turpentine, spirits of -----gal--	.4060	.4771	.5715	.4533	.6829
Shingles, cypress, g -----M--	3.35	2.85	2.5667	3.5375	3.4917
Drugs and chemicals:					
Alcohol -----gal--	2.0717	2.8867	2.3958	2.6367	2.5525
Brimstone, crude -----ton--	21.1458	21.1458	22.3333	21.7917	22.0000
Glycerin, refined -----lb--	.1767	.1515	.1446	.1492	.2142
Linseed oil, domestic, raw -----gal--	.6158	.6292	.4167	.4375	.8467
Opium, natural (cases) -----lb--	2.6208	3.2000	3.0813	4.7146	5.3708
Quinine -----oz--	.3275	.3325	.2525	.1567	.1101
Sulphuric acid -----lb--	.0083	.0120	.0127	.0102	.0100
Furniture:					
Chairs, bedroom, maple -----doz--	7.000	8.000	7.917	9.417	9.000
Chairs, kitchen -----doz--	4.2000	5.2080	5.0000	6.0000	5.5000
Tables, kitchen -----doz--	15.000	15.600	15.600	18.00	20.00
Glassware:					
Tumblers, 1-3 pint -----doz--	.1800	.1800	.1767	.1325	.1200
Pails, wooden -----doz--	1.5917	1.4917	1.5375	2.1000	1.9000
Tubs, wooden -----nest of 3--	1.6500	1.4417	1.4500	1.65	1.6125
Miscellaneous:					
Rubber, Para -----lb--	.8379	.9817	.9054	.8708	1.9075

a Michigan white pine 16 inches long, XXXX.

b 7-16 inch.

c Not stated.

d After 1903 "36 in. Hamilton."

e After 1907 "8-9 twill, 35-inch Atlantic mills."

f After 1907 "base sizes."

g Prices at Southern mills.

The farmer of the West has learned and the farmer of the South ought to learn that when the factory is closed he not only loses customers for his products, but also meets additional competitors in his production. The workingman, losing his employment in the factory, settles upon a truck farm and becomes a producer of the products he formerly bought from the farmer. The prosperity of the farmer depends upon the prosperity of those who buy his products.—Hon. P. P. Campbell, in Congress, April 1, 1904.

Prices of articles of farm production on farms in United States, 1880 to 1907. (Annual average.)

Year.	Wheat, per bushel.	Corn, per bushel.	Oats, per bushel.	Barley, per bushel.	Rye, per bushel.	Horses, per head.	Mules, per head.	Milch cows, per head.	Other cattle, per head.	Sheep, per head.	Swine, per head.	Potatoes, per bushel.	Hay, per ton.	Butter, per pound.	Cheese, per dozen.	Eggs, per dozen.	Cotton, per pound.	Tobacco, per pound.	Wool, per pound.			Milk, per quart.
	Ots.	Ots.	Ots.	Ots.	Ots.	\$	\$	\$	\$	\$	\$	Ots.	\$	Ots.	Ots.	Ots.	Ots.	Ots.	Ots.	Ots.	Ots.	Ots.
1880	95.1	39.6	36.0	66.6	75.6	\$54.75	\$61.26	\$23.27	\$16.10	\$2.21	\$4.28	48.3	\$11.65	17.1	9.5	16.5	11.51	7.7	46	48	42	5.2
1881	77.1	32.8	29.5	56.3	57.9	73.76	82.38	29.70	23.25	2.14	5.02	44.7	8.71	16.8	9.3	21.5	10.45	9.9	32	31	28	5.5
1882	185.6	53.6	38.8	71.27	79.69	72.15	78.91	26.08	19.79	2.01	4.48	68.2	9.97	15.8	8.3	18.3	9.25	9.6	33	33	29	5.5
1883	68.7	44.4	30.4	51.9	54.5	72.15	78.91	26.08	19.79	2.01	4.48	68.2	9.97	15.8	8.3	18.3	10.21	8.7	34	37	34	5.0
1884	92.6	34.1	27.8	59.0	58.8	71.82	79.78	24.65	17.79	2.05	4.98	40.2	8.76	18.3	9.9	15.9	10.03	8.3	39	33	31	5.0
1885	69.8	28.3	22.9	41.6	42.3	71.89	79.49	23.94	17.05	2.13	5.79	35.4	7.04	16.5	9.3	13.9	10.63	8.8	35	39	32	4.9
1886	83.8	50.6	42.4	62.7	62.9	68.34	78.25	22.14	15.21	2.27	4.72	75.8	7.87	14.4	9.0	15.4	11.07	8.7	33	37	29	2.67
1887	83.9	40.6	31.5	52.4	77.4	67.00	77.88	21.62	14.76	2.50	4.15	35.8	8.12	14.5	9.0	17.7	8.60	6.8	31	35	29	2.67
1888	62.4	39.4	31.7	47.5	54.2	66.01	75.55	21.40	15.16	2.58	4.60	66.1	8.20	16.0	9.4	18.0	7.71	8.4	28	34	30	2.68
1889	53.8	36.5	29.4	41.1	51.3	61.22	70.68	21.75	15.24	2.66	6.41	59.4	8.54	17.6	9.7	16.9	8.56	9.0	24	26	25	2.79
1890	49.1	45.7	32.4	44.2	50.1	47.83	62.17	21.77	14.66	1.98	5.98	53.6	8.54	17.6	9.7	16.9	6.94	8.5	20	21	18	2.63
1891	50.9	25.3	19.9	33.7	44.0	36.29	47.55	21.97	14.06	1.58	4.97	26.6	8.35	16.4	9.1	16.8	7.44	8.7	18	21	19	2.53
1892	72.6	21.5	18.7	32.3	49.9	33.07	45.29	22.55	15.86	1.70	4.35	28.6	6.55	15.2	8.4	14.7	7.93	8.5	17	18	17	2.34
1893	80.8	26.3	21.2	37.7	44.7	31.51	41.66	23.16	16.65	1.82	4.10	54.7	6.62	14.3	9.1	13.8	7.00	8.0	21	23	21	2.35
1894	58.2	28.7	25.5	41.3	46.3	34.26	43.88	27.45	20.92	2.46	4.39	41.4	6.00	15.0	8.6	16.3	5.84	8.7	28	29	24	2.39
1895	58.4	30.3	24.9	44.96	51.0	37.40	44.96	29.66	22.79	2.75	4.40	39.0	7.27	16.3	10.2	19.1	6.88	9.3	29	31	27	2.53
1896	61.9	36.7	25.8	40.8	51.2	44.61	53.55	31.60	24.97	2.95	5.00	43.1	8.89	17.2	10.6	16.6	9.25	8.7	28	31	27	2.74
1897	62.4	60.5	39.9	45.2	55.7	52.86	63.97	30.00	19.93	2.93	6.20	76.7	10.01	17.3	9.9	18.3	8.75	9.0	25	26	22	2.62
1898	63.0	46.3	30.7	45.9	50.8	53.61	67.61	29.23	18.76	2.65	7.03	47.1	9.06	18.0	10.1	19.5	9.00	9.2	26	26	22	2.88
1899	69.5	42.5	34.1	45.6	54.5	62.25	72.49	30.21	18.45	2.63	7.78	61.4	9.08	18.0	11.9	21.5	11.18	9.8	31	31	25	2.88
1900	92.4	44.1	31.3	42.0	63.8	67.93	78.88	29.21	16.32	2.59	6.15	45.3	8.72	16.5	10.5	22.3	11.75	9.6	32	32	30	2.75
1901	74.8	41.2	29.1	40.3	61.1	70.37	87.18	29.44	15.15	2.82	5.99	61.7	8.52	16.4	10.7	21.9	9.80	9.0	36	37	36	2.89
1902	66.7	39.9	31.7	41.5	58.9	80.72	96.31	27.44	15.85	3.64	6.18	51.1	10.37	18.0	11.7	21.0	11.50	9.5	33	37	30	3.01
1903	87.4	51.6	44.3	66.6	73.1	112.16	121.66	31.00	17.10	3.84	7.62	61.7	11.68	19.4	11.6	22.1	12.19	10.0	34	36	35	3.35
1904	92.8	60.6	47.2	55.4	73.6	93.41	107.76	30.67	16.89	3.86	6.95	70.6	8.98	21.8	12.9	20.3	10.62	10.6	34	38	36	3.29
1905	98.6	57.9	40.2	54.0	71.8	95.64	107.84	32.36	17.49	3.43	6.55	54.1	10.62	21.2	12.6	23.0	12.08	10.9	35	40	37	3.38
1906	88.3	48.0	34.4	57.8	71.5	108.19	119.84	35.79	19.41	4.08	9.14	55.7	12.26	25.0	15.5	28.7	15.11	10.8	31	34	33	3.06
1907	87.4	61.8	45.0	56.9	83.2	111.46	125.92	39.97	20.54	3.91	9.37	79.9	14.64	25.0	15.5	28.7	13.01	10.7	28	30	30	---

Wholesale prices in New York of articles of farm consumption, 1880 to 1911.

Year.	Sugar, per pound.	Sheetings, per yard.	Drillings, per yard.	Shirtings, per yard.	Calico, per yard.	Ginghams, per yard.	Tickings, per yard.	Bags, each.	Carpets, per yard.	Coffee, per pound.	Coal, per ton.	Nails, per 100 pounds.	Shovels, per dozen.	Shingles, per thousand.	Molasses, per gallon.	Corn starch, per pound.	Illuminating oil, per gal.	Salt, fine, per barrel.	Men's programs.
1880	9.80	8.51	8.51	12.74	7.63	8.81	15.88	19.31	57.67	15.13	\$4.53	\$3.68	\$10.03	\$2.375	Cts.	Cts.	Ots.	\$0.75	\$1.30
1881	6.53	6.36	6.36	10.37	5.75	6.75	11.38	15.94	59.55	8.97	4.10	2.33	8.33	2.75	37.50	7.00	8.6	.70	1.20
1882	6.23	6.75	6.25	10.65	6.00	6.63	11.75	14.44	60.75	9.53	4.00	2.27	7.87	3.00	36.00	6.08	8.7	.65	1.77
1883	6.02	6.58	6.58	10.33	5.19	6.88	13.25	14.69	57.40	16.97	4.05	2.30	7.87	3.20	37.50	5.85	7.8	.65	1.15
1884	7.13	7.25	6.75	10.94	6.25	6.88	12.75	15.44	53.05	15.81	4.21	2.03	7.87	3.15	40.00	5.85	7.9	.65	1.25
1885	7.89	7.00	6.75	10.50	6.25	6.31	12.13	15.75	51.77	17.62	4.04	2.00	7.87	3.05	38.25	5.85	7.8	.65	1.65
1886	6.27	7.00	6.75	10.90	6.50	6.25	12.00	15.94	51.60	16.71	3.93	2.00	7.87	3.25	33.42	5.46	7.4	.79	1.05
1887	4.65	6.83	6.41	10.64	5.75	6.50	11.75	15.63	55.20	16.91	3.85	1.86	7.87	3.25	27.88	6.00	7.0	.79	1.05
1888	4.35	6.50	5.60	10.25	6.50	6.50	11.50	15.50	50.40	14.30	3.93	1.83	7.87	3.15	31.88	6.00	5.9	.76	1.037
1889	4.84	5.90	5.72	9.75	6.25	6.31	11.81	14.94	52.80	17.23	3.90	1.44	7.87	3.00	33.46	6.00	4.9	.70	1.013
1890	4.12	5.11	5.07	9.50	5.50	4.85	10.84	12.75	46.80	16.54	3.90	1.08	7.45	2.80	30.92	5.67	4.2	.72	.969
1891	4.12	5.74	5.69	9.55	5.25	4.66	10.06	11.50	42.00	15.92	3.50	1.47	7.45	2.65	30.83	5.54	4.9	.70	.981
1892	4.53	5.45	5.48	9.50	5.25	4.72	10.19	12.81	40.80	12.33	3.50	1.32	7.81	2.50	32.46	5.13	6.8	.62	.994
1893	4.50	4.73	4.75	9.25	5.00	4.38	9.75	13.00	43.20	7.93	3.50	1.47	7.93	3.50	26.17	5.00	6.3	.66	.95
1894	4.97	4.20	4.10	8.00	4.40	4.31	8.94	13.38	46.80	6.33	3.50	1.31	7.93	2.65	30.83	5.00	5.9	.66	.913
1895	4.92	5.28	5.13	9.50	4.83	4.77	9.23	14.46	45.60	6.04	3.75	2.21	8.61	2.663	25.25	5.00	5.6	.64	.938
1896	5.32	6.05	5.95	10.75	5.25	5.15	10.84	15.75	49.20	8.22	3.47	2.46	9.12	2.85	47.75	5.00	7.8	1.00	.933
1897	5.05	5.54	5.48	10.25	5.00	4.90	10.13	14.13	48.00	6.46	3.80	2.29	9.12	2.85	37.83	4.70	6.6	.86	.944
1898	4.46	5.48	5.52	10.50	5.00	5.23	10.50	14.33	48.40	5.86	3.80	2.29	9.36	2.671	36.38	4.40	6.3	.64	.931
1899	4.64	6.25	6.37	10.75	5.04	5.50	11.04	14.58	51.36	5.59	3.80	2.36	8.02	2.567	35.46	3.07	6.7	.61	.930
1900	4.77	7.13	7.31	10.50	5.29	5.48	12.13	17.96	51.84	7.82	3.20	c 1.91	7.65	2.600	33.96	5.25	d 8.26	.77	.93
1901	5.26	7.00	7.00	9.00	5.17	5.15	10.83	15.33	55.20	8.32	3.15	c 1.90	7.62	2.725	32.29	5.52	d 7.22	.76	1.00
1902	4.52	7.37	7.37	10.03	5.50	5.65	12.63	18.06	55.20	8.11	b 3.13	c 1.96	7.62	3.242	34.00	5.77	d 7.02	.71	1.25
1903	4.65	7.62	7.62	13.00	6.02	6.58	13.73	19.38	57.60	6.58	b 3.24	c 2.12	7.84	4.088	40.88	5.00	d 8.24	.79	1.27
1904	4.96	6.75	7.15	11.54	5.19	5.48	11.25	18.79	55.40	6.28	b 3.08	c 2.10	7.82	3.54	35.50	5.75	d 8.69	.79	1.14
1905	4.76	7.37	7.50	11.45	4.83	5.88	11.81	18.83	52.80	7.83	b 3.05	c 1.92	7.62	3.27	35.00	6.00	d 8.35	.82	1.20
1906	4.97	7.87	8.00	12.00	5.31	7.00	12.85	20.42	52.80	9.52	b 3.05	c 1.89	7.74	3.49	37.04	6.00	d 7.70	.75	1.14
1911	5.845	7.96	8.06	11.10															

a Prices for drillings are net.

b Bituminous, i. o. b. New York harbor.

c Wire nails, 8 penny, fence, at Pittsburg.

d Refined for export.

TRADE BALANCES UNDER PROTECTION AND LOW TARIFF, RESPECTIVELY,
1790-1912.

Years in which low tariffs and protective tariffs, respectively, have been in operation in the United States, showing the excess of imports or exports in each year and the total excess of imports or exports under each system.

[Compiled from official statements of the Bureau of Statistics.]

Fiscal year.	Low tariffs.		Fiscal year.	Protective tariffs.	
	Excess of imports.	Excess of exports.		Excess of imports.	Excess of exports.
1790	\$2,794,844		1813		\$5,851,017
1791	10,187,959		1814	\$6,037,559	
1792	10,746,902		1815	60,483,521	
1793	4,990,428		1816	65,182,948	
1794	1,556,275		1825		549,023
1795	21,766,396		1826	5,202,722	
1796	22,861,539		1827		2,977,009
1797	24,084,096		1828	16,998,873	
1798	7,224,289		1829		345,736
1799	403,626		1830		8,949,779
1800	20,280,998		1831	23,589,527	
1801	18,342,998		1832	13,601,159	
1802	4,376,189		1833	13,519,211	
1803	8,866,633		1843		40,392,225
1804	7,300,926		1844		3,141,226
1805	25,033,979		1834	71,440,211	
1806	27,873,037		1846*	41,650,409	
1807	30,156,850		1862		1,313,824
1808	34,559,040		1863	39,371,363	
1809	7,196,767		1864	157,609,295	
1810	18,642,030		1865	72,716,277	
1811		\$7,916,832	1866	85,952,544	
1812	38,502,764		1867	101,254,955	
1817	11,578,431		1868	75,483,541	
1818	28,468,867		1869	131,388,682	
1819	16,982,479		1870	43,186,640	
1820	4,758,331		1871	77,403,506	
1821		75,489	1872	182,417,461	
1822	18,521,594		1873	119,656,288	
1823	4,155,328		1874		18,876,698
1824	3,197,067		1875	19,562,725	
1834	6,349,485		1876		79,643,481
1835	21,548,493		1877		151,152,094
1836	52,240,450		1878		257,814,234
1837	19,029,676		1879		264,661,666
1838		9,008,282	1880		167,683,912
1839	44,245,283		1881		259,712,718
1840		25,410,226	1882		25,902,683
1841	11,140,073		1883		100,658,488
1842		3,802,924	1884		72,815,910
1846	4,165,408		1885		164,602,426
1847		34,317,249	1886		44,083,604
1848	10,448,129		1887		23,863,443
1849	855,027		1888	28,002,607	
1850	29,133,800		1889	2,730,297	
1851	21,856,170		1890		68,518,275
1852	40,456,167		1891		39,564,614
1853	60,287,983		1892		202,875,636
1854	60,760,030		1893	18,735,728	
1855	38,899,205		1894		237,145,950
1856	29,212,887		1898		615,432,676
1857	54,604,582		1899		529,874,813
1858		8,672,620	1900		544,541,898
1859	38,431,290		1901		664,592,826
1860	20,040,062		1902		478,398,453
1861	69,756,709		1903		394,422,442
1895		75,568,200	1904		469,739,900
1896		102,882,264	1905		401,048,595
1897		286,263,144	1906		517,302,054
			1907		446,429,653
			1908		666,431,554
			1909		351,090,830
			1910		188,037,290
			1911		522,094,094
			1912		550,967,475
Total	1,068,872,171	553,917,230	Total	1,871,397,654	9,583,565,420

EXCESS OF IMPORTS UNDER LOW TARIFF, AND EXCESS OF EXPORTS
UNDER PROTECTION.

Net excess of imports under low tariffs	\$514,954,941
Net excess of exports under protective tariffs	8,212,167,766
Net excess of exports over imports from 1789 to March 1, 1897	383,028,497
Net excess of exports over imports from March 1, 1897, to March 1, 1912	7,847,022,349

Years in which low tariffs and protective tariffs, respectively, have been in operation in the United States, showing the excess of expenditures or receipts of the Government in each year.

[Compiled from official statements of the Treasury Department.]

Low tariffs			Protective tariffs		
Fiscal year	Deficit	Surplus	Fiscal year	Deficit	Surplus
1791-----		\$1,312,490	1813-----	\$17,311,442	
1792-----	\$4,599,900		1814-----	23,539,300	War pe-
1793-----		805,993	1815-----	17,246,744	riod.
1794-----	895,917		1816-----		\$16,480,60
1795-----	1,195,066		1825-----		5,983,640
1796-----		2,586,879	1826-----		8,222,575
1797-----		2,630,154	1827-----		6,827,198
1798-----		292,909	1828-----		8,369,087
1799-----	1,742,004		1829-----		9,643,574
1800-----		34,778	1830-----		9,702,008
1801-----		3,541,531	1831-----		13,289,004
1802-----		7,019,542	1832-----		14,578,500
1803-----		3,111,811	1833-----		10,930,874
1804-----		3,188,399	1843-----	3,549,091	
1805-----		4,546,344	1844-----		6,837,148
1806-----		6,110,753	1845-----		7,034,278
1807-----		8,043,868	1846(half year)		1,214,392
1808-----		7,999,249	1832-----	117,650,981	
1809-----	2,507,273		1863-----	306,639,331	War pe-
1810-----		909,461	1864-----	621,553,130	riod.
1811-----		6,244,594	1865-----	973,068,131	
1812-----	10,479,638		1866-----		927,208
1817-----		13,108,157	1867-----		116,317,354
1818-----		1,566,543	1868-----		6,095,320
1819-----		3,091,370	1869-----		35,997,658
1820-----	44,685		1870-----		102,302,839
1821-----	1,276,173		1871-----		91,270,711
1822-----		5,231,996	1872-----		94,134,534
1823-----		5,834,036	1873-----		36,988,348
1824-----	892,489		1874-----	1,297,799	
1834-----		3,164,365	1875-----		9,397,379
1835-----		17,857,274	1876-----		24,965,500
1836-----		19,953,632	1877-----		39,666,167
1837-----	12,289,061		1878-----		20,482,449
1838-----	7,562,152		1879-----		5,374,253
1839-----		4,585,967	1880-----		68,678,884
1840-----	4,834,402		1881-----		101,130,653
1841-----	9,621,657		1882-----		145,543,811
1842-----	5,158,680		1883-----		132,879,444
1846(half year)		1,219,392	1884-----		104,393,626
1847-----	28,453,331		1885-----		63,463,775
1848-----	11,919,521	War pe-	1886-----		93,956,589
1849-----	12,778,001	riod.	1887-----		103,471,093
1850-----		2,644,506	1888-----		119,612,116
1851-----		4,803,561	1889-----		105,053,443
1852-----		5,455,563	1890-----		105,344,493
1853-----		13,843,043	1891-----		37,239,763
1854-----		18,761,988	1892-----		9,914,454
1855-----		6,719,912	1893-----		2,341,674
1856-----		5,330,349	1894-----	69,803,261	
1857-----		1,330,904	1898-----	38,017,247	War pe-
1858-----	27,327,126		1899-----	89,111,560	riod.
1859-----	16,216,492		1900-----		79,527,090
1860-----	7,146,276		1901-----		77,717,984
1861-----	25,173,914		1902-----		91,287,376
1895-----	42,895,223		1903-----		54,307,652
1896-----	25,203,246		1904-----		7,479,093
1897-----	18,052,455		1905-----	18,753,335	
			1906-----		45,312,517
			1907-----		111,420,531
			1908-----	20,041,667	
			1909-----	58,734,955	
			1910-----		15,806,324
			1911-----		47,234,377

All the prosperity enjoyed by the American people—absolutely all the prosperity, without any reservation whatever—from the foundation of the United States Government down to the present time, has been under the reign of protective principles; and all the hard times suffered by the American people in the same period have been preceded either by a heavy reduction of duties on imports or by insufficient protection, thus refuting all free-trade theories on the subject. As I desire my native land to be on the apex of prosperity, rather than under the heel of hard times, I am a protectionist.—David H. Mason, in the "American Economist."

TABLE No. 1—Total value of imports and exports into and from the United States from October 1, 1789, to June 30, 1912, by Presidential administrations.

Administration.	Fiscal year.	Merchandise.				Fiscal year.	Tariffs.
		Imports.	Exports.	Excess of imports.	Excess of exports.		
Washington.	1790...	\$23,000,000	\$20,205,156	\$2,794,884		1790...	Formative.
	1791...	29,200,000	19,012,041	10,187,959		1791...	
	1792...	31,500,000	20,753,098	10,746,902		1792...	
	1793...	31,100,000	26,109,572	4,990,428		1793...	
	1794...	34,600,000	33,043,725	1,556,275		1794...	
	1795...	69,756,268	47,989,872	21,766,396		1795...	
	1796...	81,436,164	58,574,625	22,861,539		1796...	
	1797...	75,379,406	51,294,710	24,084,696		1797...	
	1798...	68,551,700	61,327,411	7,224,289		1798...	
	1799...	79,069,148	78,665,522	403,626		1799...	
Adams.	1800...	91,252,768	70,971,780	20,280,988		1800...	Formative.
	1801...	111,363,511	93,020,513	18,342,998		1801...	
	1802...	76,333,333	71,957,144	4,376,189		1802...	
	1803...	64,666,666	55,800,033	8,866,633		1803...	
	1804...	85,000,000	77,699,074	7,300,926		1804...	
	1805...	120,600,000	95,566,021	25,033,979		1805...	
	1806...	129,410,000	101,536,963	27,873,037		1806...	
	1807...	138,500,000	108,343,150	30,156,850		1807...	
	1808...	56,990,000	22,430,960	34,559,040		1808...	
	1809...	59,400,000	52,203,233	7,196,767		1809...	
Jefferson.	1810...	85,400,000	66,757,970	18,642,030		1810...	Protective.
	1811...	53,400,000	61,816,832		\$7,916,832	1811...	
	1812...	77,030,000	38,527,236	38,502,764		1812...	
	1813...	22,065,000	27,856,017		5,851,017	1813...	
	1814...	12,965,000	6,927,441	6,037,559		1814...	
	1815...	113,041,274	52,557,753	60,483,521		1815...	
	1816...	147,103,000	81,920,052	65,182,948		1816...	
	1817...	99,250,000	87,671,569	11,578,431		1817...	
	1818...	121,750,000	93,281,133	28,468,867		1818...	
	1819...	87,125,000	70,142,521	16,982,479		1819...	
Madison.	1820...	74,450,000	69,691,669	4,758,331		1820...	Low.
	1821...	54,520,834	54,696,323		75,489	1821...	
	1822...	79,871,695	61,850,101	18,521,594		1822...	
	1823...	72,481,371	68,326,043	4,155,328		1823...	
	1824...	72,169,172	68,972,105	3,197,067		1824...	
	1825...	90,189,310	90,738,333		549,023	1825...	
	1826...	79,093,511	72,890,789	5,202,722		1826...	
	1827...	71,332,938	74,309,947		2,977,009	1827...	
	1828...	81,020,083	64,021,210	16,998,873		1828...	
	1829...	67,083,915	67,434,651		345,736*	1829...	
Monroe.	1830...	62,720,956	71,670,735		8,949,779	1830...	Protective.
	1831...	95,885,179	72,296,652	23,589,527		1831...	
	1832...	95,121,762	81,520,603	13,601,159		1832...	
	1833...	101,047,943	87,528,732	13,519,211		1833...	
	1834...	108,609,700	102,260,215	6,349,485		1834...	
	1835...	136,764,295	115,215,802	21,548,493		1835...	
	1836...	176,579,154	124,338,704	52,240,450		1836...	
	1837...	130,472,803	111,443,127	19,029,676		1837...	
	1838...	96,970,288	104,978,570		9,008,282	1838...	
	1839...	156,466,956	112,251,673	44,245,283		1839...	
Adams.	1840...	98,258,706	123,668,932		25,410,226	1840...	Low.
	1841...	122,967,544	111,817,471	11,140,073		1841...	
	1842...	96,075,071	99,877,996		8,802,924	1842...	
	1843...	42,433,464	82,825,639		40,392,225	1843...	
	1844...	102,604,606	105,745,832		3,141,226	1844...	
	1845...	113,184,322	106,040,111	7,144,211		1845...	
	1846...	117,914,065	109,583,243	8,330,817		1846...	
	1847...	122,424,349	156,741,598		34,317,249	1847...	
	1848...	148,633,644	133,190,515	10,448,129		1848...	
	1849...	141,206,199	140,351,172	855,027		1849...	
Jackson.	1850...	173,509,526	144,375,726	29,133,800		1850...	Low.
	1851...	210,771,429	188,915,259	21,856,170		1851...	
	1852...	207,440,398	166,984,231	40,456,167		1852...	
	1853...	263,777,265	203,489,282	60,287,983		1853...	
	1854...	297,803,794	237,043,764	60,760,030		1854...	
	1855...	257,808,708	218,909,503	38,899,205		1855...	
	1856...	310,432,310	281,219,423	29,212,887		1856...	
	1857...	384,428,342	293,823,760	84,604,582		1857...	
	1858...	263,338,654	272,011,274		8,672,620	1858...	
	1859...	331,333,341	292,902,061	38,431,290		1859...	
Van Buren.	1860...	353,616,119	333,576,057	20,040,062		1860...	Protective.
	1861...	289,310,542	219,553,833	69,756,709		1861...	
	1862...	189,356,677	190,670,501		1,313,824	1862...	
	1863...	243,335,815	203,964,447	39,371,368		1863...	
	1864...	316,447,283	153,837,983	157,609,295		1864...	
	1865...	238,745,580	166,029,803	72,716,277		1865...	
	1866...	434,812,066	348,859,522	85,952,544		1866...	
	1867...	395,761,096	294,506,141	101,254,955		1867...	
	1868...	357,436,440	281,952,899	75,483,541		1868...	
	1869...	417,506,379	286,117,697	131,388,682		1869...	
Polk.	1870...	417,506,379	286,117,697	131,388,682		1870...	Low.
	1871...	417,506,379	286,117,697	131,388,682		1871...	
	1872...	417,506,379	286,117,697	131,388,682		1872...	
	1873...	417,506,379	286,117,697	131,388,682		1873...	
	1874...	417,506,379	286,117,697	131,388,682		1874...	
	1875...	417,506,379	286,117,697	131,388,682		1875...	
	1876...	417,506,379	286,117,697	131,388,682		1876...	
	1877...	417,506,379	286,117,697	131,388,682		1877...	
	1878...	417,506,379	286,117,697	131,388,682		1878...	
	1879...	417,506,379	286,117,697	131,388,682		1879...	
Fillmore.	1880...	417,506,379	286,117,697	131,388,682		1880...	Low.
	1881...	417,506,379	286,117,697	131,388,682		1881...	
	1882...	417,506,379	286,117,697	131,388,682		1882...	
	1883...	417,506,379	286,117,697	131,388,682		1883...	
	1884...	417,506,379	286,117,697	131,388,682		1884...	
	1885...	417,506,379	286,117,697	131,388,682		1885...	
	1886...	417,506,379	286,117,697	131,388,682		1886...	
	1887...	417,506,379	286,117,697	131,388,682		1887...	
	1888...	417,506,379	286,117,697	131,388,682		1888...	
	1889...	417,506,379	286,117,697	131,388,682		1889...	
Pierce.	1890...	417,506,379	286,117,697	131,388,682		1890...	Low.
	1891...	417,506,379	286,117,697	131,388,682		1891...	
	1892...	417,506,379	286,117,697	131,388,682		1892...	
	1893...	417,506,379	286,117,697	131,388,682		1893...	
	1894...	417,506,379	286,117,697	131,388,682		1894...	
	1895...	417,506,379	286,117,697	131,388,682		1895...	
	1896...	417,506,379	286,117,697	131,388,682		1896...	
	1897...	417,506,379	286,117,697	131,388,682		1897...	
	1898...	417,506,379	286,117,697	131,388,682		1898...	
	1899...	417,506,379	286,117,697	131,388,682		1899...	
Buchanan.	1900...	417,506,379	286,117,697	131,388,682		1900...	Protective.
	1901...	417,506,379	286,117,697	131,388,682		1901...	
	1902...	417,506,379	286,117,697	131,388,682		1902...	
	1903...	417,506,379	286,117,697	131,388,682		1903...	
	1904...	417,506,379	286,117,697	131,388,682		1904...	
	1905...	417,506,379	286,117,697	131,388,682		1905...	
	1906...	417,506,379	286,117,697	131,388,682		1906...	
	1907...	417,506,379	286,117,697	131,388,682		1907...	
	1908...	417,506,379	286,117,697	131,388,682		1908...	
	1909...	417,506,379	286,117,697	131,388,682		1909...	
T. Johnson.	1910...	417,506,379	286,117,697	131,388,682		1910...	Protective.
	1911...	417,506,379	286,117,697	131,388,682		1911...	
	1912...	417,506,379	286,117,697	131,388,682		1912...	
	1913...	417,506,379	286,117,697	131,388,682		1913...	
	1914...	417,506,379	286,117,697	131,388,682		1914...	
	1915...	417,506,379	286,117,697	131,388,682		1915...	
	1916...	417,506,379	286,117,697	131,388,682		1916...	
	1917...	417,506,379	286,117,697	131,388,682		1917...	

TABLE No. 1—Total value of imports and exports into and from the United States from October 1, 1789, to June 30, 1912, by Presidential administrations.—Continued.

Adminis- tration.	Fiscal year.	Merchandise.				Fiscal year.	Tariffs.
		Imports.	Exports.	Excess of imports.	Excess of exports.		
Grant.	1870..	435,958,408	392,771,768	43,186,640	-----	1870..	Protective.
	1871..	520,223,684	442,820,178	77,403,506	-----	1871..	
	1872..	626,595,077	444,177,586	182,417,491	-----	1872..	
	1873..	642,136,210	522,479,922	119,656,288	-----	1873..	
	1874..	567,466,342	586,283,040	-----	18,876,698	1874..	
	1875..	533,006,436	513,442,711	19,562,725	-----	1875..	
	1876..	460,741,190	540,884,671	-----	79,643,481	1876..	
	1877..	451,323,126	602,475,220	-----	151,152,904	1877..	
	1878..	\$437,051,532	\$694,865,766	-----	\$257,814,234	1878..	
	1879..	445,777,775	710,439,441	-----	264,661,666	1879..	
Hayes.	1880..	667,954,746	835,638,658	-----	167,683,912	1880..	Protective.
	1881..	642,664,628	902,377,346	-----	259,712,718	1881..	
	1882..	724,639,574	750,542,257	-----	25,902,683	1882..	
	1883..	723,180,914	823,839,402	-----	100,658,488	1883..	
	1884..	667,697,693	740,513,609	-----	72,815,916	1884..	
	1885..	577,527,329	742,189,755	-----	164,662,426	1885..	
	1886..	635,436,136	679,524,830	-----	44,088,694	1886..	
	1887..	692,319,768	716,183,211	-----	23,863,443	1887..	
	1888..	723,957,114	695,954,507	28,002,607	-----	1888..	
	1889..	745,131,652	742,401,375	2,730,277	-----	1889..	
Cleve- land.	1890..	789,310,409	857,828,634	-----	68,518,275	1890..	Pro- tective.
	1891..	844,916,196	884,480,810	-----	39,564,614	1891..	
	1892..	827,402,462	1,030,278,148	-----	202,875,686	1892..	
	1893..	866,400,922	847,665,194	18,735,728	-----	1893..	
	1894..	654,994,622	892,140,572	-----	237,145,950	1894..	
	1895..	731,969,965	807,538,165	-----	75,568,200	1895..	
	1896..	779,724,674	882,606,938	-----	102,882,264	1896..	
	1897..	764,730,412	1,050,993,556	-----	286,263,144	1897..	
	1898..	616,049,654	1,231,482,330	-----	615,432,676	1898..	
	1899..	697,148,489	1,227,023,302	-----	529,874,813	1899..	
McKinley- Roosevelt.	1900..	849,941,184	1,394,483,082	-----	544,541,898	1900..	Low.
	1901..	823,172,165	1,487,704,991	-----	664,592,826	1901..	
	1902..	903,320,948	1,381,719,401	-----	478,398,453	1902..	
	1903..	1,025,719,237	1,420,141,679	-----	394,422,442	1903..	
	1904..	991,087,371	1,460,827,271	-----	469,739,900	1904..	
	1905..	1,117,513,071	1,518,561,666	-----	401,048,595	1905..	
	1906..	1,226,562,446	1,743,864,500	-----	517,302,054	1906..	
	1907..	1,434,421,425	1,880,851,078	-----	446,429,653	1907..	
	1908..	1,194,341,792	1,560,773,346	-----	666,431,554	1908..	
	1909..	1,311,920,224	1,663,011,104	-----	351,090,880	1909..	
Roose- velt.	1910..	1,556,947,430	1,744,984,720	-----	188,037,290	1910..	Protective.
	1911..	1,527,226,105	2,049,320,199	-----	522,094,094	1911..	
	1912..	1,653,264,934	2,204,322,409	-----	551,057,475	1912..	
Total.....		46,292,548,308	53,989,851,733	-----	7,697,303,425	Total.	

That higher wage level aimed at by the fathers of the Republic, the policy of protection, which they inaugurated, secured, and still maintain.—Hon. George H. Ely, of Ohio, in the "American Economist."

I do not apologize for my position touching the protective policy. The Wilson bill was enacted into law. Some of us recalled what that bill did, or was the most natural factor in doing. It closed and bankrupted the entire industries of the country.—Ex-Speaker Cannon.

There are more than twenty-five thousand local labor unions in the United States, with a membership of more than two millions. What infinite good can be accomplished by this mighty army of peace and industry if held true to its opportunity.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

By the policy of fostering American industries the development of our manufacturing interests have been secured; the inventive genius of our people has found a field; American labor has become the best paid, and consequently our laborers are the best housed, clothed and fed; and the wonderful development and progress in this country in all that makes a people great have elicited the admiration of the civilized world.—Senator Cullom, in the "American Economist."

Is there a single measure promised in the last platform, or suggested by developments, that can and would not be enacted under our time-honored system so soon as the people have reached anything approaching a mature conviction as to form and substance; and to accomplish such a result are we as a people not better qualified to select men than we are to formulate measures?—Hon. Charles Nagel at Indianapolis.

*Receipts and expenditures of the United States Government from
1791 to 1912 by Presidential terms.*

[From official reports of the United States Government.]

Admin- istra- tion	Year ending June 30—	Total net ordinary receipts	Total net ordinary expenditures	Excess of receipts	Excess of expendi- tures	Tariffs
Washington	1791....	\$4,409,951	\$3,097,453	\$1,312,498		Formulative period
	1792....	3,669,960	8,269,870		\$4,599,910	
	1793....	4,652,923	3,846,930	805,993		
	1794....	5,431,905	6,297,822		865,917	
	1795....	6,114,335	7,309,601		1,190,266	
	1796....	8,420,330	5,790,651	2,629,679		
	1797....	8,688,781	6,003,627	2,680,154		
	1798....	7,979,170	7,607,586	371,585	1,749,005	
	1799....	7,546,813	9,295,818		1,749,005	
	1800....	10,848,749	10,813,971	34,778		
Adams	1801....	12,945,456	9,393,500	3,551,953		Formulative period
	1802....	14,995,794	7,976,252	7,019,542		
	1803....	11,064,098	7,952,287	3,111,811		
	1804....	11,823,307	8,637,908	3,185,399		
	1805....	13,560,693	9,014,349	4,546,344		
	1806....	15,559,931	9,449,178	6,110,753		
	1807....	16,398,019	8,354,151	8,043,868		
	1808....	17,060,662	9,061,413	7,999,249		
	1809....	7,773,473	10,280,747		2,507,274	
	1810....	9,384,214	8,474,753	909,461		
Jefferson	1811....	14,422,634	8,178,040	6,244,593		Formulative period
	1812....	9,801,133	20,280,771		10,479,639	
	1813....	14,340,410	31,681,852		17,341,442	
	1814....	11,181,625	34,720,925		23,539,214	
	1815....	15,708,459	32,943,661		17,235,202	
	1816....	47,745,651	31,196,356	16,480,630		
	1817....	33,366,849	19,909,892	13,375,977		
	1818....	21,585,171	20,618,628	1,566,543		
	1819....	21,603,374	21,512,004	3,091,370		
	1820....	17,840,670	18,285,535		444,865	
Madison	1821....	14,573,380	15,819,553		1,276,173	Low
	1822....	20,232,428	15,000,432	5,231,996		
	1823....	20,540,666	14,706,639	5,834,036		
	1824....	19,381,213	20,273,703		892,490	
	1825....	21,840,858	15,857,217	5,983,641		
	1826....	25,260,434	17,037,850	8,222,575		
	1827....	22,966,364	16,139,167	6,827,197		
	1828....	24,763,629	16,394,842	8,368,787		
	1829....	24,827,627	15,184,054	9,643,573		
	1830....	24,844,117	15,142,108	9,702,009		
Monroe	1831....	28,526,821	15,237,817	13,289,004		Protective
	1832....	31,867,451	17,288,950	14,578,501		
	1833....	33,948,426	23,017,552	10,930,874		
	1834....	21,791,936	18,627,570	3,164,366		
	1835....	35,430,087	17,572,813	17,857,274		
	1836....	50,826,796	30,868,164	19,958,632		
	1837....	24,951,153	37,243,214		12,289,061	
	1838....	26,302,532	33,864,715		7,562,153	
	1839....	31,432,750	26,896,783	4,535,967		
	1840....	19,480,115	24,314,518		4,834,403	
Adams	1841....	16,860,160	26,074,161		9,214,001	Low
	1842....	19,976,197	25,081,189		5,104,992	
	1843*	8,231,001	11,758,790		3,527,789	
	1844....	29,320,708	22,483,560	6,837,148		
	1845....	29,970,106	22,937,823	7,034,273		
	1846....	29,699,868	26,450,951	3,249,017		
	1847....	26,467,403	51,384,485		27,917,082	
	1848....	35,698,699	47,595,999		11,897,300	
	1849....	30,721,077	43,499,078		12,778,001	
	1850....	43,592,839	40,948,353	2,644,506		
Jackson	1851....	52,555,039	47,751,478	4,803,561		Protective
	1852....	49,816,816	44,390,252	5,456,564		
	1853....	61,587,032	47,743,989	13,843,043		
	1854....	73,800,341	55,038,355	18,761,986		
	1855....	65,350,575	58,630,663	6,719,912		
	1856....	74,056,899	68,726,350	5,330,349		
	1857....	68,965,313	67,634,409	1,330,904		
	1858....	46,655,366	73,982,493		27,327,127	
	1859....	52,777,102	68,993,600		16,216,492	
	1860....	56,054,600	63,200,875		7,146,276	
Van Buren	1861....	41,476,299	66,650,213		25,173,914	Low
	1862....					
	1863....					
	1864....					
	1865....					
	1866....					
	1867....					
	1868....					
	1869....					
	1870....					
Harrison	1871....					Protective
	1872....					
	1873....					
	1874....					
	1875....					
	1876....					
	1877....					
	1878....					
	1879....					
	1880....					
Tyler	1881....					Low
	1882....					
	1883....					
	1884....					
	1885....					
	1886....					
	1887....					
	1888....					
	1889....					
	1890....					
Polk	1891....					Protective
	1892....					
	1893....					
	1894....					
	1895....					
	1896....					
	1897....					
	1898....					
	1899....					
	1900....					
Fillmore	1901....					Low
	1902....					
	1903....					
	1904....					
	1905....					
	1906....					
	1907....					
	1908....					
	1909....					
	1910....					
Pierce	1911....					Protective
	1912....					
	1913....					
	1914....					
	1915....					
	1916....					
	1917....					
	1918....					
	1919....					
	1920....					
Bureau	1921....					Low
	1922....					
	1923....					
	1924....					
	1925....					
	1926....					
	1927....					
	1928....					
	1929....					
	1930....					

*Receipts and expenditures of the United States Government from
1791 to 1912 by Presidential terms—Continued.*

Admin- istra- tion	Year ending June 30—	Total net ordinary receipts	Total net ordinary expenditures	Excess of receipts	Excess of expendi- tures	Tariffs
Lincoln- Johnson	1862....	51,919,231	469,570,242	-----	417,650,981	Protective
	1863....	112,094,946	718,734,276	-----	606,639,330	
	1864....	243,412,971	854,969,101	-----	621,556,121	
	1865....	322,031,158	1,295,099,290	-----	973,068,132	
	1866....	519,949,564	519,022,356	927,208	-----	
	1867....	462,846,680	346,729,326	116,117,354	-----	
	1868....	376,434,454	370,339,134	6,095,320	-----	
	1869....	357,188,256	321,190,598	35,997,658	-----	
	1870....	\$395,959,834	\$293,657,005	\$102,302,829	-----	
	1871....	374,431,105	283,160,394	91,270,711	-----	
Grant	1872....	364,694,230	270,559,696	94,134,534	-----	Protective
	1873....	322,177,674	235,239,325	36,938,349	-----	
	1874....	299,941,091	301,238,800	-----	\$1,297,799	
	1875....	284,020,771	274,623,393	9,397,378	-----	
Hayes	1876....	290,066,585	265,101,085	24,965,500	-----	
	1877....	281,000,642	241,334,475	39,666,167	-----	
	1878....	257,446,776	236,964,327	20,482,449	-----	
	1879....	272,322,137	266,947,884	5,374,253	-----	
Garfield- Arthur	1880....	333,526,501	264,847,637	68,678,864	-----	
	1881....	360,782,293	259,651,639	101,130,654	-----	
	1882....	403,525,250	257,981,440	145,543,810	-----	
	1883....	398,287,582	265,408,138	132,879,444	-----	
Cleveland	1884....	348,519,870	244,126,244	104,393,626	-----	Protective
	1885....	323,690,706	260,226,935	63,463,771	-----	
	1886....	336,439,727	242,483,139	93,956,588	-----	
	1887....	371,403,278	267,932,180	103,471,098	-----	
Harrison	1888....	379,266,075	259,653,959	119,612,116	-----	
	1889....	387,050,059	281,996,616	105,053,443	-----	
	1890....	403,080,983	297,736,487	105,344,496	-----	
	1891....	392,612,447	355,372,685	37,239,762	-----	
Cleveland	1892....	354,937,784	345,023,331	9,914,453	-----	
	1893....	385,819,629	383,477,954	2,341,675	-----	
	1894....	297,722,019	367,525,280	-----	69,803,261	
	1895....	313,390,075	356,195,298	-----	42,805,223	Low
McKinley- Roosevelt	1896....	326,976,200	352,179,446	-----	25,203,246	
	1897....	347,721,705	365,774,160	-----	18,052,455	
Roosevelt	1898....	405,321,335	443,368,583	-----	38,047,248	Protective
	1899....	515,960,620	605,072,180	-----	89,111,560	
	1900....	567,210,852	487,713,792	79,527,060	-----	
	1901....	587,685,338	509,967,353	77,717,985	-----	
	1902....	562,478,233	471,190,858	91,287,376	-----	
	1903....	560,396,675	506,089,022	54,307,653	-----	
	1904....	539,716,914	532,237,821	7,479,093	-----	
	1905....	544,606,759	563,360,094	-----	18,753,335	
	1906....	594,717,942	549,405,425	45,312,517	-----	
	1907....	663,125,660	551,705,129	111,420,531	-----	
Taft	1908....	601,080,723	621,102,891	-----	20,041,668	Protective
	1909....	603,589,490	662,324,445	-----	58,734,955	
	1910....	675,511,715	659,705,391	15,806,324	-----	
	1911....	701,372,375	654,137,998	47,234,377	-----	
	1912....	691,140,455	654,804,625	36,335,830	-----	

Every dollar sent abroad to purchase goods that we can produce at home makes us a dollar the poorer.—H. K. Thurber, in the "American Economist."

In spite of the general comfort, there have been made manifest by signs not to be misunderstood, a quickening of the public conscience and a demand for the remedy of abuses, the outgrowth of this prosperity and for a higher standard of business integrity. Every lover of his country should have a feeling of pride and exaltation in this evidence that our society is still sound at the core.—Hon. Wm. H. Taft, at Columbus, Ohio.

Government must be honest, business dealing must be square with the principles of right and justice, the things that are pure and clean and of good-repute must be exalted; and underlying the whole fabric of our institutions we must safeguard our schools and keep pure and undefiled, as the very foundation of our liberties, the American home.—Postmaster-General Cortelyou on Lincoln's Influence on American Life.

There is a class of capitalists who look upon labor unions as per se vicious, and a class of radical labor unionists who look upon capital as labor's natural enemy. I believe, however, that the great majority of each class are gradually becoming more conciliatory in their attitude, the one toward the other. Between them is a larger class, neither capital nor labor unionist, who are without prejudices, and I hope I am one of those.—Hon. Wm. H. Taft, at Cooper Union, New York City.

Commerce of the United States, United Kingdom and Germany, from 1880 to 1911. Showing exports of all domestic merchandise; also exports of domestic manufacture from each country named.

Year	Imports of merchandise			Exports of domestic merchandise			Exports of domestic manufactures		
	United Kingdom	Germany (a)	United States (b)	United Kingdom	Germany	United States (b)	United Kingdom	Germany	United States (b)
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
1880	2,001,251,000	670,945,000	667,955,000	1,085,521,000	688,500,000	823,946,353	970,681,000	460,279,000	121,818,000
1885	1,805,316,000	699,067,000	577,527,000	1,037,121,000	680,551,000	729,682,946	913,353,000	504,623,000	150,253,000
1890	2,047,298,000	990,023,000	780,310,000	1,282,472,000	791,717,000	815,293,828	1,118,657,000	511,066,000	178,982,000
1895	2,027,822,000	980,719,000	731,970,000	1,100,453,000	789,660,000	793,392,569	941,124,000	518,723,000	205,078,000
1900	2,545,514,000	1,372,216,000	819,941,000	1,417,083,000	1,097,590,000	1,370,763,571	1,125,399,000	709,803,000	484,846,000
1901	2,510,264,000	1,290,251,000	823,172,000	1,362,729,000	1,054,685,000	1,460,462,806	1,104,080,000	688,409,000	465,778,000
1902	2,571,416,000	1,340,178,000	903,321,000	1,379,283,000	1,111,008,000	1,355,481,861	1,120,782,000	737,182,000	453,865,000
1903	2,612,054,050	1,424,080,000	1,025,719,000	1,415,179,000	1,113,313,000	1,392,231,302	1,155,672,000	780,925,000	467,898,000
1904	2,681,629,000	1,514,660,000	991,087,000	1,463,412,000	1,242,987,000	1,435,179,000	1,200,727,000	819,196,000	523,320,000
1905	2,749,669,000	1,696,660,000	1,117,513,000	1,605,053,000	1,361,131,000	1,491,745,000	1,327,402,000	910,017,000	611,426,000
1906	2,938,289,000	1,909,210,000	1,226,562,000	1,827,737,000	1,513,419,000	1,171,953,000	1,505,573,000	1,046,938,000	686,023,000
1907	3,112,824,000	2,081,066,000	1,434,421,000	2,073,300,000	1,629,103,000	1,853,718,000	1,686,465,000	1,103,868,000	740,123,000
1908	2,885,608,000	1,824,037,000	1,194,342,000	1,855,176,000	1,522,830,000	1,834,783,000	1,466,897,000	995,340,000	750,576,000
1909	3,040,127,000	2,027,799,000	1,311,920,000	1,840,415,000	1,568,954,000	1,638,356,000	1,471,111,000	1,003,622,000	671,416,014
1910	3,300,738,000	2,126,322,000	1,556,974,000	2,094,467,000	1,778,969,000	1,710,084,000	1,700,387,000	1,141,329,000	757,981,000
1911	c3,311,941,000	c2,271,657,000	1,527,226,000	2,210,766,000	c1,928,231,000	2,013,519,000	c1,799,933,000	No data	997,520,000

a Imports for consumption. b Years ending June 30. c Preliminary figures.

Conceding that any of these ideas may find application in local conditions, how will these advocates apply their ideas to the activities of the National Government? * * * Is it possible that, not content with the present agitation, opportunity for turmoil, indecision, and unrest shall be multiplied? Is it possible that they contemplate the recall of Federal officials? Is it to be applied to Congressmen in their respective districts? Is it to be applied to Senators, and is it to be applied to President?—Secretary Nagel at Indianapolis.

Commerce of the United States by great groups, 1820 to 1912.—Imports, total.

Year ending June 30—	Foodstuffs in crude condition and food animals.			Foodstuffs partly or wholly manufactured.			Crude materials for use in manufacturing.			Manufactures for further use in manufacturing.			Manufactures ready for consumption.			Miscellaneous.		Total.
	Dollars.	Per cent of total.		Dollars.	Per cent of total.		Dollars.	Per cent of total.		Dollars.	Per cent of total.		Dollars.	Per cent of total.		Dollars.	Per cent of total.	Dollars.
1820a	6,081,641	11.15	10,820,814	19.85	1,983,706	3.64	4,079,064	7.48	30,998,900	56.86	556,709	1.02	54,520,834					
1830	7,382,274	11.77	9,653,971	15.39	4,214,825	6.72	5,152,486	8.22	35,734,887	56.97	582,563	.93	62,720,956					
1840	15,273,821	15.54	15,188,845	15.46	11,510,245	11.71	11,356,196	11.56	44,300,005	45.09	630,094	.64	98,258,706					
1850	18,011,659	10.38	21,465,776	12.37	11,711,266	6.75	26,163,352	15.08	96,312,499	54.93	845,174	.49	173,509,526					
1860	35,743,826	10.11	53,771,067	15.21	37,073,022	10.49	23,613,395	6.67	199,878,690	56.52	3,536,119	1.00	353,616,119					
1870	53,981,838	12.38	96,253,561	22.08	53,118,022	12.18	54,545,306	12.51	173,034,847	39.69	5,024,834	1.16	435,958,408					
1875	90,018,885	16.89	113,145,852	21.23	78,891,769	14.80	63,411,606	11.89	177,891,440	33.38	9,043,884	1.81	533,005,436					
1880	100,297,040	15.01	118,125,216	17.69	131,861,617	19.74	110,779,516	16.59	196,587,405	29.43	10,303,952	1.54	667,954,746					
1885	93,845,533	16.16	102,937,933	17.82	106,774,553	18.49	78,254,677	13.55	182,543,076	31.61	13,671,507	2.37	577,597,329					
1886	91,583,644	14.41	112,771,436	17.75	128,434,759	20.23	91,539,244	14.40	194,791,568	30.65	16,310,485	2.57	635,436,136					
1887	106,262,234	15.36	111,714,332	16.14	143,361,050	20.71	120,079,754	17.34	202,800,073	29.29	8,002,275	1.16	692,319,768					
1888	116,087,107	16.03	111,048,075	15.34	155,057,432	21.42	121,605,094	16.80	211,218,652	29.17	8,940,754	1.24	723,957,114					
1889	123,130,984	16.53	122,254,266	16.41	163,548,106	21.94	115,079,918	15.44	212,482,518	28.52	8,635,860	1.16	745,131,652					
1890	128,489,142	16.28	133,332,031	16.89	170,637,250	21.62	116,924,080	14.81	230,689,581	29.23	9,251,325	1.17	789,310,409					
1891	150,639,369	17.83	147,721,834	17.48	184,175,197	21.80	136,446,309	16.15	217,577,775	25.75	8,355,632	.99	844,916,196					
1892	155,583,861	21.22	139,794,773	16.89	188,317,595	22.76	112,729,303	13.63	204,543,857	24.72	6,458,073	.78	827,402,462					
1893	131,663,963	15.19	153,739,181	17.75	209,277,112	24.16	135,608,418	15.63	228,764,866	26.40	7,317,377	.85	866,400,922					
1894	133,319,989	20.35	155,348,824	23.72	180,086,011	19.86	82,894,732	12.65	148,798,021	22.72	4,557,045	.70	634,994,622					
1895	141,377,238	19.31	107,026,180	14.63	197,646,852	25.35	96,486,622	13.18	199,543,703	27.26	6,596,915	.90	731,969,965					
1896	130,062,310	16.67	118,806,703	15.24	197,646,852	25.35	101,070,937	12.96	226,639,759	29.07	5,559,113	.71	779,724,674					
1897	128,379,785	16.79	129,244,951	16.90	196,159,371	25.96	88,490,406	11.57	173,843,918	28.48	4,611,981	.60	764,730,412					
1898	103,984,608	16.88	86,091,010	13.97	189,322,244	30.73	79,288,417	12.88	153,025,210	24.84	4,338,165	.70	616,049,654					
1899	98,933,256	14.19	123,448,135	17.71	208,565,691	29.91	91,953,914	13.19	169,516,630	24.32	4,730,863	.68	697,148,489					
1900	97,916,293	11.52	133,027,374	15.25	276,241,152	32.50	134,222,045	15.79	203,126,341	23.90	5,407,979	.64	849,941,184					
1901	110,385,708	13.43	125,540,654	15.65	248,006,751	30.13	127,576,924	15.49	205,505,580	24.96	6,157,048	.74	823,172,163					
1902	120,280,302	13.31	95,350,256	10.56	303,001,868	33.55	147,656,292	16.34	231,420,820	25.62	5,611,410	.62	903,390,94					
1903	119,282,674	11.62	116,620,623	11.37	330,491,084	32.37	196,750,847	16.08	267,757,184	25.13	5,896,825	.58	1,026,719,231					
1904	132,262,895	13.34	118,222,862	11.93	320,794,431	32.37	160,233,890	16.17	252,857,673	25.51	6,754,620	.68	991,087,371					
1905	146,130,903	13.08	145,355,839	13.01	389,160,658	34.82	177,897,960	15.91	252,372,650	22.58	6,665,061	.60	1,117,513,071					
1906	134,315,443	10.95	140,358,114	11.44	414,687,999	33.81	220,387,751	17.96	307,801,154	25.10	9,100,980	.74	1,226,562,444					
1907	149,747,693	10.44	158,656,263	11.06	477,027,174	33.25	274,006,464	19.11	364,192,884	23.39	10,700,947	.75	1,434,421,426					
1908	145,577,427	12.19	147,008,870	12.31	363,482,258	30.43	196,248,409	16.43	331,617,936	27.77	9,461,514	.72	1,311,920,224					
1909	164,110,674	12.51	165,700,920	12.63	451,389,259	34.40	222,101,622	16.31	299,106,235	22.80	9,541,514	.72	1,556,947,430					
1910	144,776,636	9.30	181,566,572	11.66	566,270,770	36.37	288,138,373	18.31	367,723,367	23.62	11,471,712	.74	1,527,226,105					
1911	181,194,363	11.87	172,006,501	11.26	511,362,140	33.48	287,785,652	18.84	361,422,180	23.67	13,454,769	.88	1,653,354,934					
1912	229,565,515	13.88	196,759,741	11.90	555,059,586	33.57	294,280,981	17.80	360,745,409	21.82	16,963,702	1.03						

Commerce of the United States by great groups, 1820 to 1912—Exports, domestic.

Year ending June 30—	Foodstuffs in crude condition and food animals.		Foodstuffs partly or wholly prepared.		Crude materials for use in manufacturing.		Manufactures for further use in manufacturing.		Manufactures ready for consumption.		Miscellaneous.		Total.
	Dollars.	Per cent of total.	Dollars.	Per cent of total.	Dollars.	Per cent of total.	Dollars.	Per cent of total.	Dollars.	Per cent of total.	Dollars.	Per cent of total.	
1820.....	2,474,822	4.79	10,085,366	19.51	31,246,382	60.46	4,867,379	9.42	2,925,165	5.66	84,526	0.16	51,683,640
1830.....	2,724,181	4.65	9,556,992	16.32	26,482,266	62.34	4,117,806	7.04	5,461,589	9.34	182,244	.31	58,524,878
1840.....	4,564,532	4.09	15,936,108	14.27	76,438,421	67.61	4,841,101	4.34	10,584,079	9.47	246,320	.22	111,660,561
1850.....	7,535,764	5.59	20,047,162	14.84	83,984,707	62.26	6,060,900	4.49	17,162,203	12.72	139,494	.10	134,900,283
1860.....	12,168,447	5.85	38,624,949	12.21	216,009,648	63.31	12,611,625	3.99	35,811,383	11.33	988,371	.31	316,242,423
1870.....	41,882,630	11.12	50,919,666	13.53	213,439,991	41.31	13,711,708	3.66	56,329,137	14.96	363,341	.09	376,616,473
1875.....	79,077,679	15.84	170,292,780	22.09	206,271,795	41.31	27,458,054	5.50	74,503,439	14.92	1,680,299	.34	499,284,100
1880.....	266,108,950	32.30	193,352,723	23.47	238,787,984	28.98	29,044,159	3.62	92,774,139	11.26	3,678,448	.47	823,946,353
1885.....	123,326,867	16.97	201,800,801	27.77	248,611,181	34.22	39,437,313	5.42	110,818,865	15.25	2,867,919	.37	726,632,946
1890.....	100,799,692	15.13	162,039,021	24.43	254,409,407	38.21	34,037,715	5.11	111,627,312	16.76	2,401,382	.36	665,964,529
1897.....	125,453,608	17.85	175,784,781	25.00	250,236,436	35.60	36,732,490	5.22	112,417,839	15.99	2,397,691	.34	708,022,923
1898.....	86,308,436	12.63	169,872,314	24.84	271,275,629	39.67	40,116,923	5.88	113,892,689	16.65	2,277,041	.33	683,862,104
1899.....	98,847,455	13.54	174,504,227	23.90	286,235,227	36.19	42,712,932	5.85	123,183,883	16.87	4,798,885	.65	730,292,609
1899.....	132,073,183	15.62	224,756,580	26.59	304,566,922	36.03	46,454,992	5.50	132,527,050	15.68	4,915,101	.58	845,293,828
1899.....	106,155,721	12.17	226,448,303	25.96	346,848,321	39.77	47,961,372	5.49	140,349,741	16.09	4,506,825	.52	872,270,253
1899.....	262,455,846	25.84	250,438,545	24.06	315,096,548	31.02	50,284,241	4.95	132,792,441	13.07	4,664,290	.46	1,015,732,011
1899.....	153,277,859	18.43	247,075,061	29.73	247,289,240	29.75	49,070,703	5.94	129,938,284	15.63	4,379,638	.52	831,030,785
1899.....	133,106,928	15.30	249,846,142	28.77	276,068,989	31.76	67,145,189	7.72	135,659,274	15.61	7,388,415	.84	869,204,937
1899.....	99,051,108	12.49	219,125,531	27.62	264,194,679	33.30	61,812,894	7.78	143,244,969	18.06	5,963,407	.75	793,392,590
1899.....	128,550,669	14.90	219,413,574	25.41	251,817,571	29.17	76,219,728	8.85	181,789,157	21.04	5,499,788	.63	863,200,487
1897.....	181,420,814	17.58	235,051,980	22.79	296,894,858	28.76	98,284,243	9.62	212,959,122	20.63	7,456,636	.72	1,032,007,603
1898.....	305,108,915	25.21	284,579,827	23.54	286,311,334	23.67	101,990,563	8.43	222,537,358	18.38	7,463,916	.78	1,210,291,913
1899.....	232,993,066	19.35	304,754,736	25.31	277,723,374	23.07	117,730,260	9.78	262,656,583	21.81	8,163,203	.68	1,203,931,222
1900.....	227,347,193	16.59	318,126,502	23.28	325,589,000	23.75	152,800,591	11.15	331,955,684	24.15	14,854,601	1.08	1,370,763,571
1901.....	246,394,140	16.88	336,066,378	23.05	397,767,463	27.24	148,013,625	10.12	317,764,367	21.76	13,917,833	.96	1,460,462,806
1902.....	184,786,389	13.63	328,831,350	24.27	373,585,243	27.56	131,918,311	9.73	321,946,540	23.75	14,404,028	1.06	1,355,481,861
1903.....	185,308,064	13.81	323,244,251	23.22	408,679,699	29.35	140,415,620	10.09	327,482,757	23.52	7,100,911	.51	1,392,231,392
1904.....	135,747,224	9.46	308,835,694	21.52	461,716,328	32.17	174,574,136	12.17	348,745,843	24.30	5,539,792	.38	1,435,179,017
1905.....	118,185,098	7.92	283,064,680	18.98	472,665,309	31.69	209,361,544	14.03	402,064,030	26.95	6,403,980	.43	1,491,744,641
1906.....	177,216,467	10.32	347,385,462	20.22	500,536,700	29.13	226,210,513	13.17	459,812,656	26.76	6,791,584	.40	1,717,953,392
1907.....	167,348,227	9.08	345,706,679	18.65	593,145,135	32.00	259,414,784	13.99	480,708,667	25.93	7,394,612	.40	1,834,718,034
1908.....	199,051,824	10.30	331,961,663	18.10	556,631,462	30.33	261,116,883	14.23	459,469,958	26.68	6,515,567	.36	1,834,786,357
1909.....	135,693,409	8.28	392,555,341	18.47	520,907,436	31.80	231,186,607	14.11	440,229,407	26.87	7,783,393	.47	1,633,355,593
1910.....	109,828,320	6.43	259,259,654	15.16	565,974,947	33.09	267,705,916	15.66	499,215,329	29.19	8,079,822	.47	1,710,083,998
1911.....	103,401,553	5.13	282,036,183	14.00	713,018,206	38.42	309,151,989	15.35	598,367,852	29.72	7,592,542	.38	2,013,549,025
1912.....	99,659,023	4.59	318,262,524	14.66	722,488,531	33.29	347,451,015	16.01	674,302,903	31.07	8,155,832	.38	2,170,319,828

Analysis of the principal of the public debt of the United States.
[From the Statistical Abstract of the United States, 1907.]

Year ended.	Total interest bearing date.	Annual interest charge.	Debt on which interest has ceased.	Debt bearing no interest. a	Outstanding principal.	Cash in the Treasury.	Principal of debt less cash in Treasury.	Population of the United States. b	Debt per capita.	Interest per capita.
1865—Aug. 31	\$2,381,530,294	\$150,977,697	\$1,503,020	\$461,616,311	\$2,844,649,626	\$88,218,055	\$2,756,431,571	35,238,000	\$78.25	\$4.29
1870—July 1	2,046,456,722	118,784,960	3,708,641	430,508,064	2,480,672,427	149,502,471	2,331,169,956	38,558,371	60.46	3.08
1875	1,722,676,300	96,855,690	11,425,820	430,508,064	2,232,284,531	142,243,361	2,090,041,170	43,951,000	47.53	2.20
1880	1,723,993,100	79,683,981	7,621,455	388,800,815	2,120,415,370	201,088,622	1,919,326,747	50,155,783	38.27	1.59
1881	1,639,567,750	75,018,695	6,723,865	422,721,954	2,069,013,569	249,363,415	1,819,650,154	51,316,000	35.46	1.46
1882	1,463,810,400	57,360,110	16,260,805	438,241,768	1,918,312,934	243,289,519	1,675,023,474	52,495,000	31.91	1.09
1883	1,388,229,150	51,436,709	7,831,415	538,111,162	1,844,171,728	391,985,928	1,452,195,800	54,911,000	26.20	.84
1884	1,256,568,850	47,926,432	19,656,205	554,308,868	1,830,528,923	488,612,429	1,341,916,493	56,148,000	24.50	.84
1885	1,196,150,950	47,014,133	4,100,995	663,712,927	1,863,964,873	492,917,478	1,371,047,395	57,404,000	22.34	.79
1886	1,146,014,100	45,510,098	9,704,445	619,344,468	1,775,063,013	482,433,917	1,292,629,096	58,680,000	20.03	.71
1887	1,021,692,350	41,750,529	6,115,165	629,795,077	1,697,602,592	629,854,089	1,067,748,503	59,974,000	17.72	.65
1888	950,522,500	38,991,935	2,496,095	739,840,389	1,692,855,984	629,854,089	1,063,004,894	61,289,000	15.92	.53
1889	829,853,990	33,752,354	1,911,485	787,287,446	1,619,052,922	643,113,172	975,939,750	62,622,250	14.22	.47
1890	725,313,110	29,417,603	1,815,805	825,011,259	1,552,140,204	661,355,884	890,784,370	63,844,000	13.84	.37
1891	610,529,120	23,615,735	1,614,705	933,852,763	1,545,996,591	694,083,889	851,912,751	65,086,000	12.93	.35
1892	585,029,330	22,893,883	2,785,875	1,000,648,939	1,588,464,144	746,937,631	841,526,513	66,349,000	12.64	.35
1893	585,037,100	22,894,194	2,094,060	958,854,525	1,545,985,676	707,016,210	838,969,475	67,632,000	13.30	.38
1894	635,041,800	25,394,385	1,851,240	995,360,506	1,632,253,636	732,940,256	899,313,380	68,934,000	13.08	.42
1895	716,202,060	29,140,792	1,721,590	958,197,332	1,676,120,983	774,448,016	901,672,966	71,592,000	13.78	.48
1896	847,363,890	34,337,265	1,636,890	920,839,543	1,769,840,323	831,016,579	938,823,753	72,947,000	14.08	.47
1897	847,365,130	34,337,315	1,346,880	968,960,655	1,817,672,665	769,446,503	1,047,226,162	74,318,000	15.55	.54
1898	847,367,470	34,337,408	1,262,680	947,901,845	1,796,531,995	769,446,503	1,027,085,492	75,994,575	14.58	.44
1899	1,046,048,750	40,347,872	1,218,300	944,927,306	1,991,927,306	836,607,071	1,155,320,235	77,612,569	13.46	.38
1900	1,023,478,860	38,545,130	1,176,320	1,112,305,911	2,136,961,091	1,029,249,833	1,047,711,257	79,230,563	12.24	.35
1901	967,141,040	29,789,153	1,415,620	1,154,770,273	2,143,326,933	1,098,587,813	968,539,120	80,848,557	11.44	.29
1902	931,070,340	27,542,945	1,280,860	1,226,259,245	2,158,610,445	1,189,153,204	969,457,241	82,466,551	11.73	.29
1903	914,541,410	25,541,573	1,205,090	1,286,718,281	2,202,464,781	1,277,453,144	925,011,637	84,084,539	11.25	.27
1904	895,157,440	24,176,745	1,870,920	1,366,875,224	2,264,003,885	1,296,771,811	967,231,773	87,320,533	10.06	.25
1905	895,158,340	24,176,781	1,370,245	1,378,086,478	2,274,615,063	1,284,748,291	989,866,771	88,938,527	10.55	.24
1906	895,159,140	23,248,064	1,128,135	1,440,874,563	2,337,161,839	1,372,726,152	964,443,387	90,556,521	11.35	.23
1907	894,834,280	21,628,914	1,086,815	1,561,266,966	2,457,188,061	1,578,591,806	878,596,255	92,174,515	10.83	.23
1908	897,503,990	21,101,197	4,130,015	1,725,172,266	2,626,806,272	1,688,673,862	938,132,409	93,792,509	10.77	.24
1909	913,317,490	21,275,602	2,883,855	1,723,344,896	2,639,546,241	1,615,684,710	1,023,861,531	95,410,500		
1910	913,317,490	21,275,602	2,124,805	1,797,223,453	2,652,665,838	1,606,216,653	1,046,449,185			
1911	915,353,190	21,336,673	1,879,830	1,848,367,586	2,765,600,607	1,749,816,268	1,015,784,338			
1912	963,776,770	22,787,084	1,760,450	1,902,836,654	2,868,373,874	1,840,799,177	1,027,574,697			

a The column of "Debt bearing no interest" includes certificates issued against gold, silver, and currency deposited in the Treasury.

b Figures of the Bureau of the Census for census years, and estimates of that Bureau for other years subsequent to 1900. For other years intermediate between those of the census the estimates are those of the Actuary of the Treasury Department for July 1. All figures relate to continental United States.

Financial and commercial statistics of the principal countries of the world in the latest year for which figures are available.
 [Figures chiefly for the year 1911.]

Country	Area sq. miles	Population	Foreign commerce		Revenue Dollars	Expenditure Dollars	National debt	
			Imports Dollars	Exports Dollars			Total Dollars	Per capita Dollars
Argentina	1,139,106	6,988,000	353,972,000	313,333,000	136,915,000	137,391,000	639,516,000	91.50
Australia, Commonwealth of	2,974,581	4,455,000	288,957,000	369,053,000	36,493,000	36,493,000	1,253,726,000	281.42
Austria-Hungary	261,033	51,304,000	579,129,000	490,977,000	90,931,000	87,799,000	1,079,750,000	20.65
Austria	135,606	30,463,000	-----	-----	572,157,000	572,094,000	1,408,191,000	46.23
Hungary	125,427	20,841,000	-----	-----	239,519,000	339,509,000	1,159,554,000	55.64
Belgium	11,373	7,517,000	870,135,000	601,008,000	127,134,000	127,026,000	719,414,000	95.70
Brazil	3,291,416	232,969,000	232,969,000	307,035,000	174,010,000	192,415,000	815,032,000	38.60
Canada	3,729,665	7,205,000	461,951,000	274,317,000	101,504,000	79,412,000	470,663,000	65.32
Chile	292,743	3,500,000	108,582,000	115,783,000	64,019,000	73,943,000	164,845,000	47.10
China	4,277,170	336,000,000	302,980,000	248,498,000	193,795,000	229,031,000	636,822,000	1.90
Cuba	45,881	2,220,000	108,007,000	128,512,000	41,615,000	40,503,000	62,083,000	27.97
Denmark	15,046	2,757,000	170,021,000	146,884,000	36,247,000	35,692,000	80,870,000	29.14
Egypt	383,899	11,237,000	116,422,000	143,072,000	76,816,000	74,145,000	462,182,000	40.95
France	207,129	39,602,000	1,384,453,000	1,203,124,000	846,631,000	846,587,000	6,250,791,000	158.60
German Empire	208,794	64,926,000	2,310,036,000	1,929,243,000	696,100,000	696,100,000	1,224,808,000	18.86
India, British	1,766,597	315,133,000	433,785,000	667,772,000	391,939,000	374,958,000	1,294,287,000	4.11
Italy	110,688	34,687,000	626,473,000	401,436,000	479,431,000	469,467,000	2,604,363,000	75.03
Japan	147,699	50,752,000	255,445,000	220,612,000	283,314,000	283,314,000	1,319,897,000	26.00
Mexico	767,323	15,063,000	102,525,000	146,289,000	52,952,000	47,324,000	218,447,000	14.50
Netherlands	12,741	5,945,000	1,299,941,000	1,053,575,000	78,083,000	85,930,000	448,982,000	76.64
Norway	124,705	2,393,000	107,761,000	73,187,000	32,761,000	31,289,000	88,252,000	36.85
Peru	683,321	4,590,000	20,919,000	31,597,000	13,609,000	13,048,000	26,253,000	5.76
Russia	8,460,246	160,748,000	558,490,000	746,279,000	1,532,255,000	1,532,255,000	4,670,607,000	28.93
Spain	194,794	19,539,000	180,007,000	174,893,000	226,242,000	217,745,000	1,911,254,000	98.00
Sweden	172,920	5,522,000	179,998,000	158,883,000	61,080,000	61,080,000	141,083,000	25.55
Switzerland	15,951	3,753,000	330,775,000	290,803,000	29,747,000	30,774,000	24,015,000	6.40
United Kingdom	121,316	45,366,000	3,309,987,000	2,209,972,000	992,039,000	837,017,000	3,567,498,000	78.64
United States	3,627,537	96,521,000	1,653,355,000	2,176,320,000	997,587,000	961,086,000	1,627,573,000	10.61

Note.—Figures of revenue and expenditure are those of the budget law, or represent actual revenue and expenditure. The Commonwealth of Australia has no public debt; the figures given represents the aggregate debts of the several States.

Financial, commercial, and industrial conditions in the United States, 1892, 1896, and 1911.

ITEMS	1892	1896	1911
Population -----	65,083,000	70,251,000	93,792,509
Interest-bearing debt -----dolls.	585,029,330	847,363,890	915,353,190
Annual interest charge -----dolls.	22,893,883	34,387,236	21,336,673
Annual interest per capita -----cts.	35	49	23
Receipts from customs -----dolls.	177,452,934	160,021,752	314,497,071
Treasury receipts, ordinary -----dolls.	351,937,784	323,976,200	701,372,375
Gov't disbursements (a) -----dolls.	345,023,324	352,179,446	654,137,993
Gold in Treasury -----dolls.	114,612,892	102,494,781	233,533,255
Gold and gold certificates in circulation -----dolls.	549,662,443	497,103,183	b1,549,663,467
Money in circulation -----dolls.	1,601,347,187	1,506,431,963	b3,214,002,593
Money in circulation, per capita -----dolls.	24.60	21.44	b34.20
Bank clearings, New York -----dolls.	36,279,905,236	29,350,894,884	92,420,120,092
Bank clearings, total, U. S. -----dolls.	60,883,572,428	51,935,651,733	159,373,450,000
Loans and discounts, nat'l banks -----dolls.	2,127,757,191	1,971,642,012	5,610,838,787
Savings bank depositors (c) No.	4,781,605	5,005,494	9,794,647
Savings bank deposits (d) -----dolls.	1,758,329,618	1,935,460,468	4,212,583,599
Bank deposits, total -----dolls.	4,664,934,251	4,945,124,424	15,906,274,710
Life insurance in force -----dolls.	583,533,745	888,267,912	3,177,047,874
Total life insurance in force -----dolls.	4,897,738,088	5,942,068,818	16,474,241,042
Imports -----dolls.	827,402,462	779,724,674	1,557,226,005
Imports, per capita (e) -----dolls.	12.38	10.81	15.05
Exports -----dolls.	1,030,278,148	882,606,938	2,049,320,189
Exports, per capita (f) -----dolls.	15.61	12.29	21.15
Excess of exports over imports -----dolls.	202,875,686	102,882,264	522,094,094
Imports of mfr's materials -----dolls.	188,317,595	197,646,852	511,362,140
Exports of manufactures -----dolls.	183,076,682	258,003,885	907,519,841
Share mfr's form of exports -----per cent.	18.02	29.89	45.07
Exports of meat and dairy products -----dolls.	141,240,834	133,377,519	149,389,737
Exports to Asia and Oceania -----dolls.	35,163,117	42,827,258	151,483,241
Exports to Porto Rico -----dolls.	2,856,003	2,102,094	g34,671,958
Exports to Hawaii -----dolls.	3,781,628	3,985,707	h21,925,777
Exports to Philippine Isles -----dolls.	60,914	102,446	19,723,113
Animals on farms, total value -----dolls.	2,461,755,698	1,727,926,084	5,276,438,000
Horses -----dolls.	1,007,593,636	500,140,183	2,259,931,000
Cattle -----dolls.	922,127,287	872,883,961	1,647,393,000
Mules -----dolls.	174,882,070	103,204,457	544,359,000
Swine -----dolls.	241,031,415	186,597,745	615,170,000
Sheep -----dolls.	116,121,290	65,167,735	209,535,000
Sheep, total in U. S. -----No.	44,938,365	38,298,783	53,633,000
Sheep, av. val. per head -----dolls.	2.60	1.70	3.91
Farm products, value—			
Corn -----dolls.	642,146,630	491,006,967	1,565,258,000
Wheat -----dolls.	322,111,881	310,602,539	543,063,000
Oats -----dolls.	209,253,611	132,85,033	414,663,000
Hay -----dolls.	490,427,798	388,145,614	694,570,000
Potatoes -----dolls.	103,537,520	72,182,350	233,778,000
Wool production -----lbs.	294,000,000	272,474,708	318,547,900
Wool -----dolls.	79,075,777	32,520,536	66,561,017
Cotton production, 500-lb. bales -----	6,658,313	8,515,640	112,005,688
Beet-sugar production -----tons.	5,356	29,220	455,511
Mineral production -----dolls.	622,542,381	640,544,221	12,003,744,869
Coal production -----tons.	160,115,242	171,416,390	1447,853,909
Pig-iron production -----tons.	9,157,000	8,623,129	23,649,517
Steel rails mfd -----tons.	1,298,936	1,300,325	3,635,801
Steel manufactured -----tons.	4,927,581	5,281,689	126,094,919
Exports of iron and steel -----dolls.	28,800,930	41,100,877	230,725,552
Tin plates manufactured -----lbs.	42,119,192	359,209,798	11,619,005,000
Tin plates imported -----lbs.	422,176,202	385,138,985	95,319,730
Pig tin imported -----lbs.	43,908,652	49,952,957	103,439,058
Domestic cotton used in mfg -----bales.	2,856,000	2,505,000	4,705,000
Silk imported for mfg -----lbs.	8,831,049	9,363,987	26,666,091
Hides and skins imported -----dolls.	26,850,218	30,520,177	70,504,980
Rubber imported for mfg -----lbs.	39,976,205	36,774,460	72,046,260
P. O. Dept., receipts of -----dolls.	70,930,475	82,499,208	237,879,823
Telegraph messages sent (k) -----No.	62,387,298	58,760,444	77,780,732
Telephone subscribers (l) -----No.	216,017	281,695	13,558,247
Patents issued -----No.	23,559	23,273	34,084
Failures -----No.	10,314	15,088	13,441
Failures, liabilities -----dolls.	114,044,167	226,006,834	191,061,665
Original homestead entries -----acres.	16,808,791	4,830,915	17,639,100
Railways in operation -----miles.	175,691	186,681	1249,992
Railways, operating revenues (m) -----dolls.	1,171,407,343	1,073,361,797	12,750,667,435

Financial, commercial, and industrial conditions in the United States, 1892, 1896 and 1911—Continued.

ITEMS	1892	1896	1911
Railways, dividends paid.....dolls..	97,614,745	87,603,371	1405,771,416
Railways, employees.....No.....	821,415	828,620	11,699,420
Railways, wge. and sal. pd.dolls..	477,181,431	468,821,531	11,143,725,306
Railways, freight carried.....tons..	700,744,184	753,716,562	11,849,900,101
Railway passengers carried.....No.....	560,958,211	511,772,737	1971,683,199
Railways, freight receipts, ton per mile.....cents.....	.893	.806	1.753
Railways sold under fore- closure.....miles.....	1,922	13,730	.1386
Freight passing Sault Ste Marie canals.....tons.....	10,647,203	17,249,418	41,653,483
WHOLESALE PRICES (ANNUAL AVERAGE)			
	Dollars	Dollars	Dollars
Wheat.....per bush.....	0.7876	0.6413	1.0973
Corn.....per bush.....	.4500	.2580	.5810
Oats.....per bush.....	.3012	.1801	.3856
Flour, patent.....barrel.....	4.3466	3.7957	5.4972
Hogs, heavy.....100 lbs.....	5.1550	3.3579	8.9428
Bacon, short clear sides.....pound.....	.0787	.0194	.1332
Steers, choice to extra.....100 lbs.....	5.0909	4.5957	7.7713
Beef, fresh native sides.....pound.....	.0762	.0698	.1027
Coffee, Rio No. 7.....pound.....	.1430	.1233	.0952
Sugar, granulated.....pounds.....	0.7876	.04532	.04959
Tea, Formosa, fine.....pound.....	.3008	.2583	.2400
Men's shoes, vici kid.....pair.....	2.5000	2.2500	2.6000
Men's shoes, brogan.....pair.....	1.0375	.9938	1.1375
Serge suitings,.....yard.....	.9100	.6143	1.2656
Women's dress goods, cash- mere.....yard.....	.8724	.1960	.3675
Wool, Ohio, X and XX, scoured.....pound.....	.6119	.3940	.6862
Coal, anthracite, stove.....ton.....	4.1532	3.7942	4.8178
Coal, bituminous, at mine.....ton.....	.9000	.9000	1.4033
Petroleum, refined.....gallon.....	.0794	.1039	.1079
Pig iron, foundry No. 1.....ton.....	15.7492	12.9550	17.3617
Wire nails.....100 lbs.....	2.1896	2.9250	1.8875
Cut nails.....100 lbs.....	1.7583	2.7125	1.8438
Tin plates (n).....100 lbs.....	5.3050	3.4354	3.8400
Steel rails.....ton.....	30.0000	28.0000	23.0000
Steel billets.....ton.....	23.6308	18.8333	25.3000
Rope, manila, 3/4 inch.....pound.....	.1148	.0664	.0879

a "Ordinary expenses" include expenditures for War, Navy, Indians, pensions, payments for interest, and "Miscellaneous," but do not include payments for premiums, principal of public debt, or expenditures for postal service paid from revenues thereof.

b As the result of special investigation by the Director of the Mint a reduction of \$135,000,000 was made in the estimate of gold coin in circulation on July 1, 1907, as compared with the basis of previous years; and on September 1, 1910, a reduction of \$9,700,000 was made in the estimate of silver coin.

c Prior to 1911 includes depositors in Illinois State banks having savings departments, for number of which see report of the Comptroller of the currency.

d Prior to 1911, exclusive of Illinois State banks having savings departments.

e Based on imports for consumption only.

f Based on domestic exports only.

g Shipments to Porto Rico.

h Shipments to Hawaii.

i 1910.

j 1909.

k Western Union only.

l Includes statistics of American Telephone and Telegraph Company and operating companies associated with it.

m Prior to 1911, "Gross earnings from operation."

n 1892 figures are for imported tin; those of subsequent years, of domestic manufacture.

I have always wondered why the idea of recall of judges was not carried out to its logical consequences. If we, the people, are to have the right to protect ourselves in this fashion against erring judges, why would it not be more safe to compel a court, before it renders its decision, to announce to the people what it is about to do, in order that opportunity may be given to recall the judges before the mischief is done? That would be consistent with the main idea, and would ultimately dispense with the necessity for having any courts at all.—Hon. Charles Nagel.

It is better for this country to feed, clothe and house our own labor in this country than to support foreign labor in other countries with our money.—H. K. Thurber.

The Electoral College in 1912.

States.	1912	States.	1912
Alabama	12	New Hampshire	4
Arizona	3	New Jersey	14
Arkansas	9	New Mexico	4
California	12	New York	45
Colorado	6	North Carolina	12
Connecticut	7	North Dakota	5
Delaware	3	Ohio	24
Florida	6	Oklahoma	10
Georgia	14	Oregon	5
Idaho	4	Pennsylvania	38
Illinois	29	Rhode Island	5
Indiana	15	South Carolina	9
Iowa	13	South Dakota	5
Kansas	10	Tennessee	12
Kentucky	13	Texas	20
Louisiana	10	Utah	4
Maine	6	Vermont	4
Maryland	8	Virginia	12
Massachusetts	18	Washington	7
Michigan	15	West Virginia	8
Minnesota	12	Wisconsin	13
Mississippi	10	Wyoming	3
Missouri	18		
Montana	4		
Nebraska	8	Total	532
Nevada	3		

POPULAR AND ELECTORAL VOTE IN PRESIDENTIAL ELECTIONS FROM 1856 TO 1908.

Showing number of votes cast for Republican and Democratic candidates, the electoral vote, and the per cent given to the Republican candidates in each presidential election from 1856 to 1908.

Year	Popular vote				Electoral vote			
	Dem-ocratic	Repub-lican	Other parties	Total	Per cent Repub	Dem-ocratic	Repub-lican	Other parties
1856	1,838,169	1,341,264	b874,534	4,053,967	33.1	174	114	b8
1860	{ 1,375,157	{ 1,866,352	c589,581	4,076,853	39.9	{ 72	{ 180	d39
1864	845,763	2,216,067	-----	4,024,792	55.1	21	212	-----
1868	1,908,725	3,015,071	-----	5,724,684	52.7	80	214	-----
1872	2,709,613	3,507,070	-----	6,466,165	55.6	42	266	-----
1876	2,834,079	4,033,950	35,016	8,410,097	48.3	181	185	21
1880	4,284,885	4,449,950	91,262	9,211,428	48.3	135	214	0
1884	4,442,035	4,848,334	319,443	10,044,965	48.2	219	182	0
1888	4,911,017	5,444,337	235,634	11,381,408	47.8	168	233	-----
1892	5,540,050	5,444,337	337,022	11,381,408	47.8	168	233	-----
1896	5,554,414	5,190,802	h1,298,387	12,043,603	43.1	277	145	h22
1900	6,467,946	7,035,638	j309,659	13,813,243	50.9	176	271	-----
1904	6,358,071	7,219,530	386,917	13,964,518	51.7	155	292	-----
1908	5,084,491	7,628,834	810,194	13,523,519	56.4	140	436	-----
	6,409,106	7,679,006	799,021	14,887,133	51.58	162	921	-----

a After 1884, figures do not include blank or void ballots or votes cast for names not appearing on any of the electoral tickets specified in the table.

b American Party.

c S. A. Douglas, Democrat (Northern), polled 1,375 votes and carried 2 States having 12 electoral votes; J. O. Breckenridge, Democrat (Southern), polled 845,763 votes and carried 11 States having 72 electoral votes.

d Constitutional Union party, John Bell, nominee.

e Eleven Southern States with 81 electoral votes refrained from voting.

f Three Southern States (Mississippi, Texas and Virginia), with 23 electoral votes, refrained from voting. g Seventeen votes rejected, viz., 2 from Georgia for Greeley, and 8 from Louisiana, and 6 from Arkansas, for Grant.

h People's Party, J. B. Weaver.

i Includes 1,027,329 votes for Populist.

j Includes 131,529 votes for National Democrat.

Party divisions in Congress since the formation of the Republican Party in 1856.

Congress.	Years.	Senate.			House.		
		Dem.	Rep.	Ind.	Dem.	Rep.	Ind.
35.....	1857-1859	39	20	5	131	92	14
36.....	1859-1861	38	26	2	101	113	23
37.....	a1861-1863	10	31	2	42	106	28
38.....	a1863-1865	9	36	5	75	102	9
39.....	1865-1867	11	41	-----	40	145	-----
40.....	1867-1869	11	42	-----	49	143	-----
41.....	1869-1871	11	53	-----	78	151	-----
42.....	1871-1873	17	57	-----	103	138	b5
43.....	1873-1875	20	47	b7	92	194	14
44.....	1875-1877	29	43	b2	168	107	-----
45.....	1877-1879	39	36	b1	151	142	-----
46.....	1879-1881	44	32	-----	148	129	c16
47.....	1881-1883	38	37	d1	138	146	c10
48.....	1883-1885	36	e40	-----	198	124	c1
49.....	1885-1887	34	42	-----	204	120	c1
50.....	1887-1889	37	39	-----	168	153	4
51.....	1889-1891	37	39	-----	159	166	-----
52.....	1891-1893	39	47	f2	236	88	f8
53.....	1893-1895	44	38	f3	220	126	f8
54.....	1895-1897	39	42	f5	104	246	f7
55.....	1897-1899	34	46	h10	1134	206	j16
56.....	1899-1901	26	53	h11	163	185	k9
57.....	1901-1903	29	56	n3	153	198	m5
58.....	1903-1905	32	58	-----	174	206	o2
59.....	1905-1907	32	58	-----	136	250	-----
60.....	1907-1909	29	61	-----	164	222	-----
61.....	1909-1911	32	59	p1	175	215	p1
62.....	1911-1913	42	49	p1	229	162	q2

Parties as constituted at the beginning of each Congress are given. These figures were liable to change by contests for seats, etc.

a During the Civil War most of the Southern States were unrepresented in Congress.

b Liberal Republicans. c Greenbackers. d David Davis, Independent, of Illinois.

e Two Virginia Senators were Readjusters, and voted with the Republicans.

f People's party, except that in the House of Representatives of the Fifty-fourth Congress one member is classed as Silver party.

g Three Senate seats were vacant (and continued so) and two Representative seats were unfilled (Rhode Island had not yet effected a choice) when the session began. Rhode Island subsequently elected two Republicans.

h Five Populists, two Silver party, three Independents. i Including fifteen members classed as Fusionists. j Including three members classed as Silver party. There was one vacancy.

k Six Populists, three Silver party.

l Five Populists, one Silver party, two Independents, and three vacancies.

m Three Populists, one Silver party, one Fusion party, one vacancy.

n One Populist, one Silver party, one Fusionist, two vacancies.

o Two Union Labor and two vacancies—One Democratic, one Republican.

p Vacancy. q One Socialist, one Progressive Republican.

A nation like that of the United States, with eighty millions of people, with resources unexampled in the history of the world, with ideals as high as those of any nation, with the earnest desire to spread the principles of liberty and of popular government, cannot maintain a position of isolation with respect to the peoples of the world when fate shall have thrust some of those peoples under our control.—Hon. Wm. H. Taft, at Cleveland, Ohio.

The Republican party was dedicated to freedom forty-four years ago. It has been the party of liberty and emancipation from that hour; not of profession but of performance.—President McKinley, at Canton, July 12, 1900.

I think it never could have entered the minds of the men who framed the constitution that there could be found in all time men who would favor the recall of the judiciary. To me the proposition is unthinkable. No self-respecting man would accept judicial office under such conditions. The recall of judges is only equalled by that twin devil, the recall of judicial decisions. I'm a firm believer in the people, in the sober second thought of the people, but I have seen the people, when appealed to by some gifted and attractive demagogue, go wild. I've seen them vote for measures which a few years later they wanted wiped from the statute books. No American citizen has a right to tolerate doctrines so wild and revolutionary. It is no more a question of politics than the preservation of the Union was a question of politics.—Hon. John C. Spooner.

Presidential vote and political record by States, 1864 to 1908.

Votes, 1908.	Party receiving electoral vote in—											
	'64	'68	'72	'76	'80	'84	'88	'92	'96	1900	'04	'08
Alabama	11	*	R	R	D	D	D	D	D	D	D	D
Arkansas	9	*	R	R	D	D	D	D	D	D	D	D
California	10	R	R	R	D	R	R	†D	†R	D	R	R
Colorado	5	*	*	*	R	R	R	P	D	D	R	D
Connecticut	7	R	R	R	D	D	D	D	R	R	R	R
Delaware	3	D	D	R	D	D	D	D	R	R	R	R
Florida	5	*	R	R	R	D	D	D	D	D	D	D
Georgia	13	*	D	D	D	D	D	D	D	D	D	D
Idaho	3	*	*	*	*	*	*	P	D	D	R	R
Illinois	27	R	R	R	R	R	R	D	R	R	R	R
Indiana	15	R	R	R	D	R	D	R	R	R	R	R
Iowa	13	R	R	R	R	R	R	R	R	R	R	R
Kansas	10	R	R	R	R	R	R	P	D	R	R	D
Kentucky	13	D	D	D	D	D	D	D	†R	D	D	D
Louisiana	9	*	D	*	R	D	D	D	D	D	D	D
Maine	6	R	R	R	R	R	R	R	R	R	R	R
Maryland	8	R	D	D	D	D	D	D	R	†R	†D	aD
Massachusetts	16	R	R	R	R	R	R	R	R	R	R	R
Michigan	14	R	R	R	R	R	R	†R	R	R	R	R
Minnesota	11	R	R	R	R	R	R	R	R	R	R	R
Mississippi	10	*	*	R	D	D	D	D	D	D	D	D
Missouri	18	R	R	D	D	D	D	D	D	D	R	D
Montana	3	*	*	*	*	*	*	R	D	D	R	R
Nebraska	8	*	R	R	R	R	R	R	D	R	R	D
Nevada	3	R	R	R	R	D	R	R	P	D	R	D
New Hampshire	4	R	R	R	R	R	R	R	R	R	R	R
New Jersey	12	D	D	R	D	D	D	D	R	R	R	R
New York	39	R	D	R	D	R	D	R	R	R	R	R
North Carolina	12	*	R	R	D	D	D	D	D	D	D	D
North Dakota	4	*	*	*	*	*	*	†D	R	R	R	R
Ohio	23	R	R	R	R	R	R	†R	R	R	R	R
Oklahoma	7	*	*	*	*	*	*	*	*	*	*	D
Oregon	4	R	D	R	R	R	R	†R	R	R	R	R
Pennsylvania	34	R	R	R	R	R	R	R	R	R	R	R
Rhode Island	4	R	R	R	R	R	R	R	R	R	R	R
South Carolina	9	*	R	R	R	D	D	D	D	D	D	R
South Dakota	4	*	*	*	*	*	*	D	D	R	D	R
Tennessee	12	*	R	D	D	D	D	D	D	D	D	D
Texas	18	*	*	D	D	D	D	D	D	D	D	D
Utah	3	*	*	*	*	*	*	*	D	R	R	R
Vermont	4	R	R	R	R	R	R	R	R	R	R	R
Virginia	12	*	*	R	D	D	D	D	D	D	D	D
Washington	5	*	*	*	*	*	*	R	D	R	R	R
West Virginia	7	R	R	R	D	D	D	D	R	R	R	R
Wisconsin	13	R	R	R	R	R	R	D	R	R	R	R
Wyoming	3	*	*	*	*	*	*	R	D	R	R	R

*No vote.

† One electoral vote given to opposing party.

‡ Five electoral votes given to opposing party.

a Two votes given to opposing party.

The United States is a continental nation and should adopt a continental policy. Free trade is adapted only to insular nations, and no continental nation has adopted a free-trade policy.—Ex-President Hill, of the University of Rochester, now ambassador to Germany.

If by asserting complete Federal control over the interstate railways of the country we can suppress secret rebates and discriminations of other kinds, we shall have gone a long way in the suppression of the unlawful trusts.—Hon. Wm. H. Taft, at Columbus, Ohio.

The millions we formerly sent to aliens in alien lands to pay them for making tin plate for us we now pay to our own countrymen in the United States; we have the tin plate and we have the money expended for tin plate besides.—Hon. Wm. S. Greene, in Congress, April 28, 1904.

The highest claim of William McKinley for the gratitude of his countrymen is that, in spite of the abuse and contumely that was heaped upon his head for this policy, he placed our country in the forefront of nations as a civilizer and uplifter of unfortunate peoples.—Hon. Wm. H. Taft, at Cleveland, Ohio.

Our appeal is not to a false philosophy or vain theories, but to the masses of the American people, the plain, practical people whom Lincoln loved and trusted and whom the Republican Party has always faithfully striven to serve.—Maj. McKinley to Notification Committee, 1896.

Republican and Democratic vote in all close States in Presidential elections, 1892 to 1910.

[Compiled from New York Tribune Almanac.]

State.	1892.		1896.		1898.		1900.		1902.		1904.		1906.		1908.		1910.	
	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.
California.....	118,149	118,293	146,588	144,766	139,382	128,700	164,755	124,985	152,363	126,290	205,226	89,294	155,897	100,960	214,398	127,492	204,034	111,620
Colorado.....	38,620	a 53,584	26,271	161,269	46,163	95,483	93,067	122,733	85,297	84,348	134,087	100,105	102,065	76,468	123,700	126,614	101,722	103,700
Connecticut.....	77,032	82,395	110,285	56,740	81,749	63,339	162,537	74,011	83,666	101,589	111,089	72,909	88,115	67,747	112,815	68,255	79,585	73,221
Delaware.....	18,077	18,581	29,452	16,615	17,566	15,053	22,572	18,865	21,026	16,396	32,712	19,347	20,210	17,118	25,007	22,072	22,410	20,281
Idaho.....	255,615	262,740	323,754	305,573	283,306	17,693	27,198	32,834	32,834	24,878	47,783	18,480	42,134	32,818	52,621	36,162	46,401	31,832
Illinois.....	8,599	a 10,520	6,314	23,192	13,056	390,988	597,985	503,061	373,498	362,645	277,606	435,950	322,048	322,048	629,932	550,810	413,569	411,133
Indiana.....	399,288	406,523	607,130	464,523	463,202	273,097	336,063	309,581	296,186	268,940	363,289	324,341	332,132	256,818	348,993	338,262	277,616	312,139
Iowa.....	219,795	196,367	289,293	223,741	284,313	274,274	307,808	209,265	223,021	158,849	307,907	149,141	224,341	168,844	275,210	200,771	208,272	157,565
Kansas.....	157,241	a 163,111	159,541	171,890	148,654	138,344	226,799	134,902	122,746	158,662	205,277	84,800	105,205	137,715	197,216	161,269	162,880	116,229
Kentucky.....	135,441	175,461	218,171	217,890	126,184	130,417	185,935	162,601	158,362	216,893	216,893	217,170	124,044	155,820	235,711	244,062	147,372	175,574
Maryland.....	92,736	113,866	136,978	104,746	107,704	101,448	136,212	122,271	100,054	91,606	109,497	109,446	98,906	92,366	116,513	115,908	95,230	101,633
Massachusetts.....	202,914	176,813	278,976	105,711	178,703	128,424	238,566	156,997	191,770	150,065	257,822	165,746	228,536	153,881	265,966	155,543	203,136	203,587
Michigan.....	222,708	202,296	293,582	237,268	232,525	176,873	316,269	211,685	228,399	155,732	361,863	134,151	232,662	83,432	333,313	174,313	212,663	146,701
Minnesota.....	122,823	100,920	193,503	139,735	136,797	102,842	190,461	112,901	158,843	90,791	216,651	55,187	171,549	64,944	195,848	109,401	180,024	67,474
Missouri.....	227,616	208,400	304,940	363,652	256,434	285,019	314,022	351,922	230,749	274,220	321,449	296,312	285,782	291,276	347,203	346,574	318,587	328,216
Montana.....	18,838	17,534	10,494	a 20,686	23,351	25,373	37,146	24,626	19,560	19,560	34,932	21,773	28,368	22,894	32,333	29,326	32,519	28,071
Nebraska.....	87,227	24,934	103,064	115,999	96,509	94,884	121,835	113,513	98,337	89,214	138,558	51,876	98,903	a 56,745	126,997	131,099	114,549	113,029
Nevada.....	2,811	714	1,939	a 8,369	5,796	5,796	3,849	6,347	5,101	5,876	6,867	3,982	5,665	7,820	10,775	11,212	11,056	7,682
New Hampshire.....	45,638	42,081	57,444	21,650	43,778	38,784	54,803	35,489	44,629	30,204	54,777	33,992	45,774	31,270	53,144	33,655	42,580	37,066
New Jersey.....	156,068	171,042	221,367	133,675	165,120	154,648	221,707	164,808	183,576	164,190	245,164	164,566	172,261	169,008	265,326	182,567	187,742	225,817
New York.....	609,350	654,868	819,838	551,369	669,863	638,585	821,992	678,386	661,838	633,570	859,533	683,981	710,640	639,006	870,870	667,463	643,514	694,173
North Carolina.....	100,346	132,950	155,222	174,488	138,334	170,693	133,081	157,752	53,938	135,319	81,372	123,458	77,807	124,716	114,887	136,928	94,430	141,049
North Dakota.....	17,159	a 17,700	26,335	a 20,686	27,776	17,844	35,898	20,531	32,986	14,765	52,595	14,273	38,923	21,350	57,680	32,885	51,640	25,880
Ohio.....	405,909	404,115	525,991	477,497	404,640	356,169	543,918	474,882	439,765	337,656	600,095	344,674	407,698	342,465	572,312	507,721	383,745	454,224
Oregon.....	35,002	12,242	48,779	a 46,662	42,615	33,921	46,526	33,355	48,082	31,811	60,432	17,444	51,435	31,491	62,530	38,049	56,898	37,709
Pennsylvania.....	516,011	462,264	728,300	433,230	532,898	356,660	712,665	424,232	619,805	303,201	840,949	335,430	556,139	330,607	745,779	448,785	475,842	312,803
Rhode Island.....	26,975	24,356	37,437	14,459	22,309	13,206	34,784	19,812	28,215	27,853	41,605	24,839	33,069	31,339	43,942	24,706	34,064	31,236
South Dakota.....	34,888	9,088	41,042	41,225	38,780	a 32,314	54,530	39,544	48,454	21,113	72,083	21,969	48,996	19,976	67,466	40,266	64,777	32,655
Tennessee.....	99,851	136,594	148,773	166,263	63,923	106,712	123,008	145,250	53,618	98,196	165,369	131,653	80,178	111,440	118,324	135,698	67,005	32,730
Utah.....	---	---	---	---	---	35,296	47,139	45,006	43,710	38,136	62,444	33,413	42,560	27,921	61,015	42,601	50,904	32,780
Vermont.....	---	---	---	---	---	36,385	57,456	44,833	59,366	34,315	101,540	28,098	71,921	31,811	106,062	58,691	78,291	44,827
Washington.....	36,460	29,802	39,153	51,646	39,809	85,407	119,829	98,907	194,883	157,056	279,878	100,850	96,339	77,157	137,869	111,418	94,637	102,933
West Virginia.....	80,293	84,467	104,414	92,927	87,999	126,791	265,760	159,163	194,883	157,056	279,878	124,036	98,753	113,548	247,747	166,632	161,577	103,868
Wisconsin.....	171,101	177,325	268,135	193,922	183,492	126,791	265,760	159,163	194,883	157,056	279,878	124,036	98,753	77,157	137,869	111,418	94,637	102,933
Wyoming.....	8,454	a 7,722	10,072	a 10,655	10,762	98,466	14,482	10,164	15,808	8,892	20,467	8,904	16,881	9,017	20,846	14,918	20,312	14,659

a Fusion with Populists.

Receipts and expenditures in the United States.

Fiscal years	Ordinary receipts	Ordinary disbursements	Express receipts	Excess of disbursements
1800.....	\$10,818,749	\$10,813,971	\$34,778	-----
1810.....	9,384,214	8,471,753	909,461	-----
1820.....	17,840,670	18,285,535	-----	\$144,865
1830.....	24,814,117	15,142,108	9,702,009	-----
1840.....	19,480,115	24,314,518	-----	4,834,403
1850.....	43,592,889	40,948,383	2,644,506	-----
1851.....	52,555,039	47,751,478	4,803,531	-----
1852.....	49,846,816	44,390,252	5,456,564	-----
1853.....	61,587,032	47,743,989	13,843,013	-----
1854.....	73,800,341	55,038,455	18,761,886	-----
1855.....	65,850,575	58,630,663	6,719,912	-----
1856.....	74,056,699	68,726,350	5,330,349	-----
1857.....	68,965,313	67,634,409	1,330,904	-----
1858.....	46,655,366	73,982,493	-----	27,327,127
1859.....	52,777,108	68,993,600	-----	16,216,492
1860.....	56,051,600	63,200,876	-----	7,146,276
1861.....	41,476,299	66,650,213	-----	25,173,914
1862.....	51,919,261	469,570,242	-----	417,650,981
1863.....	112,091,946	718,734,276	-----	606,639,330
1864.....	243,412,971	864,969,101	-----	621,556,130
1865.....	322,031,158	1,295,099,290	-----	973,068,132
1836.....	519,949,564	519,022,373	927,208	-----
1867.....	462,846,680	346,729,320	116,117,354	-----
1868.....	376,434,545	370,339,134	6,095,320	-----
1869.....	357,188,256	321,190,508	35,997,658	-----
1870.....	395,959,834	293,657,005	102,302,829	-----
1871.....	374,431,105	283,160,394	91,270,711	-----
1872.....	361,694,230	270,559,696	94,134,534	-----
1873.....	322,177,674	285,239,325	36,938,349	-----
1874.....	299,941,091	301,238,800	-----	1,297,709
1875.....	284,020,771	274,623,393	9,397,378	-----
1876.....	290,066,585	265,101,085	24,965,500	-----
1877.....	281,000,642	241,334,475	39,666,167	-----
1878.....	257,446,776	236,964,327	20,482,449	-----
1879.....	272,322,137	266,947,884	5,374,253	-----
1880.....	338,526,501	264,847,637	68,678,864	-----
1881.....	360,782,293	259,651,639	101,130,654	-----
1882.....	403,525,250	257,981,440	145,543,810	-----
1883.....	398,287,582	265,408,138	132,879,444	-----
1884.....	348,519,870	244,126,244	104,393,626	-----
1885.....	323,690,706	260,226,935	63,463,776	-----
1886.....	336,439,727	242,483,139	93,956,588	-----
1887.....	371,403,278	267,932,180	103,471,098	-----
1888.....	379,266,075	250,653,959	119,612,116	-----
1889.....	387,050,059	281,996,616	105,053,443	-----
1890.....	403,080,983	297,736,487	105,344,496	-----
1891.....	392,612,447	355,372,685	37,239,762	-----
1892.....	354,937,784	345,023,331	9,914,453	-----
1893.....	385,819,629	383,477,954	2,341,675	-----
1894.....	297,722,019	367,525,280	-----	69,803,261
1895.....	313,396,075	356,195,298	-----	42,805,223
1896.....	326,976,200	352,179,446	-----	25,203,246
1897.....	347,721,705	365,774,160	-----	18,052,455
1898.....	405,321,335	443,368,583	-----	38,047,248
1899.....	515,960,620	605,072,180	-----	89,111,560
1900.....	567,240,852	487,713,792	79,527,060	89,111,560
1901.....	587,685,338	509,967,353	77,717,985	-----
1902.....	562,478,233	471,190,858	91,287,375	-----
1903.....	560,396,675	506,089,022	54,307,653	-----
1904.....	539,716,914	532,237,821	7,479,093	-----
1905.....	544,606,759	563,360,094	-----	18,753,335
1906.....	594,717,942	563,360,094	45,312,517	-----
1907.....	663,125,660	551,705,129	11,420,531	-----
1908.....	601,060,723	621,102,391	-----	20,041,668
1909.....	603,589,490	662,324,445	-----	58,734,955
1910.....	675,511,715	659,705,391	15,806,324	-----
1911.....	701,372,375	654,137,998	47,234,377	-----

Note.—Ordinary receipts include receipts from customs, internal revenue, direct tax, public lands, and "miscellaneous," but do not include receipts from loans, premiums, or treasury notes, or revenues of Post Office Department. Ordinary disbursements include disbursements for War, Navy, Indians, pensions, payment for interest, and "miscellaneous," but do not include premiums, principal or public debt, or disbursements for postal service paid from revenues thereof.

The advocacy of such a system (the recall) suggests chaos in decisions, irresponsibility in the courts, and, worse than all, the power of an impatient majority to deny every right which well-ordered institutions guarantee to the minority.—Hon. Charles Nagel.

Table of Annual Averages of National Financial and Industrial Conditions during the administrations of Presidents Cleveland, McKinley, Roosevelt, and Taft.

[Annual average for periods named.]

[Compiled mainly from the Statistical Abstract of the United States.]

	1893-1896.	1897-1900.	1901-1903.	1904-1907.	1908-1911.
Interest-bearing debt, million dollars	696	941	944	895	910
Annual interest per capita	\$0.41	\$0.48	\$0.35	\$0.28	\$0.23
Treasury receipts, net ordinary, millions	331	459	570	586	645
Government disbursements, ordinary, millions	365	475	496	574	649
Money in circulation, millions	1,592	1,859	2,264	2,654	3,115
Money in circulation, per capita	\$23.29	\$25.13	\$28.61	\$31.60	\$34.54
Bank clearings, total, millions	51,700	73,300	114,900	138,823	153,369
Bank deposits, total, millions	4,757	6,223	9,139	11,667	14,521
Bank deposits, savings, millions	1,813	2,169	2,760	3,374	3,869
Depositors in savings banks, millions	4.9	5.6	6.8	7.9	9.1
Industrial life insurance in force, millions	793	1,217	1,723	2,299	a2,938
Life insurance, total, in force, millions	5,635	7,394	10,051	13,206	a15,468
Imports, total, millions	758	732	917	1,192	1,398
Exports, total, millions	856	1,251	1,430	1,651	1,830
Excess of exports over imports, millions	98	519	513	459	432
Exports of manufactures, millions	211	275	462	640	774
Imports of raw materials for manufacturing, millions	179	218	294	400	473
Exports to Asia and Oceania, millions	34	79	93	132	131
Pig tin imports, lbs., millions	42	63	80	88	93
Tin plate imports, lbs., millions	494	164	142	138	127
Coal, tons, millions	165	210	270	338	a410
Pig iron, tons, millions	7.96	12.21	17.27	22.64	23.17
Steel rails, tons, millions	1.27	1.75	2.73	3.15	a2.86
Steel, total tons, millions	4.96	9.23	14.21	20.16	a21.36
Tin plate, manufactured lbs., millions	226	698	857	1,141	a1,398
Minerals, total value, millions	575	731	1,319	1,629	a1,828
Cotton, total value, millions	263	300	334	593	a699
Beet sugar, 1,000 tons	20	46	146	286	a417
Wool, lbs., millions	271	272	302	296	319
Raw silk, imports, lbs., millions	8.02	11.09	13.30	18.79	22.99
Cotton used in manufacturing, bales, millions	2.51	3.38	3.85	4.71	4.82
Animals on farms, total value, millions	2,050	1,942	3,034	3,526	c4,765
Sheep on farms, total value, millions	87	97	161	180	c207
Railways, operating revenues, millions	33	416	540	705	a2,521
Dividends paid by railways, millions	83	107	168	227	a356
Passengers carried, millions	558	535	650	760	a918
Freight carried 1 mile, billion tons	89	100	155	202	a233
Railways placed under receivership, miles	11,474	1,697	193	1,214	3,052
Railways sold under foreclosure, miles	7,951	5,125	795	395	1,313
Railways, increase in mileage operated	1,900	2,891	4,439	5,100	a4,337
Average receipts per ton mile	\$0.85	\$0.76	\$0.75	\$0.78	a\$0.76
Tonnage of vessels passing through Sault Ste. Marie Canal, millions	14	20	28	36	42
Failures, liabilities of, millions	230	128	128	141	192
Post office receipts, millions	77	92	122	162	214
Wheat, average price of, per bushel	\$0.70	87.6	83.1	99.1	\$1.098
Corn, per bushel	44.4	39.0	45.5	59.7	.733
Oats, per bushel	31.3	27.5	40.8	41.1	.505
Homestead (c) original entries, 1,000 acres	6,174	6,329	11,541	12,949	15,464

a Excess exports.

b For years 1908-10, inclusive.

c The value taken for 1910 consists of the number as given by census of 1910 multiplied by value per head as given by Department of Agriculture for January 1, 1910.

THE DEPARTMENTS.

Work During President Taft's Administration.

DEPARTMENT OF STATE.

President Taft In Foreign Affairs.

To keep our factories running we must have markets for our surplus goods. To gain and keep the advantages required by our welfare among nations we are largely dependent upon a sagacious and never-sleeping diplomacy. Mr. Taft realized this fact perhaps more fully than many of his predecessors, and grappled with the problem wisely and consistently. John Hay had declared for "the open door or equality of commercial opportunity in China." Other administrations had stirred the imagination with the ideals of Pan-Americanism. We had tried to make a lot of commercial agreements. We had struggled forward toward arbitration. As a practical man President Taft set out to make realities of our international aspirations and to make our foreign policies live as actual benefits to the American people. Again, as a practical man, the President knew that to increase the output the first step must be to modernize and equip the plant. So he placed at the head of the Department of State a man representing a great manufacturing State, and the machinery of the department was organized with a purpose of aiding our people in trade expansion. Under his direction there was established in the department divisions of Far Eastern, Latin-American, Near Eastern and European affairs, in each of which there were men who had recently served in the diplomatic or consular service in the countries concerned. Thus the department itself and the American public has had at its call specialists who know intimately the conditions with which we are dealing at long distances in the great international struggle for commercial opportunities and the political prestige upon which the former so often depend.

The Bureau of Trade Relations was expanded and highly specialized. Through a Division of Information a consideration of the press and the opinion of the whole world was brought to bear upon our own problems and all our agents abroad were kept informed each of what the other was doing.

The Japanese immigration question had filled the public mind with anxiety, but President Taft's administration promptly and quietly negotiated a treaty to prevent Japanese competition with our labor. By the same treaty American commerce secured most-favored nation treatment, and American exports to Japan in the fiscal year 1912 are fifty-four million dollars against twenty-seven millions in 1909, having doubled in three years.

A firm believer in the scientific handling of the tariff problem, President Taft realized that to exact from other countries fair treatment for American exports we must be armed with a weapon of retaliation. The result was the maximum and minimum clause in the tariff bill of 1909. With this weapon the administration secured special favored-nation treatment—that is, treatment as good as that given any other nation—from all the countries of the world, and directly benefited agriculture, industry and commerce in all sections of the United States. Great benefits were obtained for the cotton seed oil of the South, and unprecedented advantages were obtained for the animal products of the farm, for machinery, and for a multitude of other products.

In the purely commercial sphere may be mentioned achieve-

ments, like the order for the two Argentine battleships, involving the expenditure of twenty odd millions in American labor and materials. Contracts and concessions of this kind secured for American citizens through the influence of the State Department during the past three years probably amount to \$100,000,000. Among these were a contract for railroad supplies of upward of a million and a half dollars; contracts for arms and ammunition amounting to over two million dollars; a loan of \$50,000,000 made to China, with the support of the department, by American and European financiers, to be largely expended for railroad material, American materials having equal preference with those of the other countries. Besides results of this character, the diplomatic and consular officers in all parts of the world are actively aiding in building up American export trade in various ways.

In the up-to-date administration of the State Department its facilities for promptly obtaining information on any subject which is of general interest to the American people are a prominent feature. Here are a few illustrations of the way the consular service is responsive:

President Taft, in the discussion of the high cost of living and the remedies proposed for it, was impressed by the frequency of the references to the co-operative societies in European countries, and the suggestions made that it would be advantageous if the workings of these societies were better understood. The President, in his solicitude for the general welfare, directed the department to see what could be learned on this subject. The department instructed its consular officers in Great Britain and various continental countries to investigate and report. Their reports were collated and transmitted to Congress, which published them. They are replete with useful information upon the specific subject in question, and also show the universality of the rise in the cost of living, making it apparent that the advances in the United States are not chargeable to our local conditions or laws, but a part of a world-wide movement.

Cotton producers in the South were especially concerned to know the quantity of cotton available throughout the world. A conference of governors of Southern States was about to be held. They sought the aid of the State Department a few days before the opening session to obtain the information so greatly desired. Instructions were telegraphed the consular officers at the leading centers of cotton production and consumption to obtain the facts and cable them. The reports were received by wire and at once transmitted to the Southern governors. These took occasion to make special acknowledgment of the value of the department's services in this matter.

The select committee of the House of Representatives which was engaged in the sugar investigation wanted data in regard to wholesale and retail prices of sugar throughout the world and a variety of other information. It sought the aid of the State Department. The consular officers were instructed to make the necessary investigation, and their reports covering the subject were transmitted to the House committee.

Permanent results in the promotion of our foreign trade have been kept especially in view in the activities of the State Department. There has been obtained the recognition on the part of all importing nations of the food certificates of the United States Department of Agriculture as evidence of the purity of the products so certified under the provisions of the Pure Food and Drugs Act of June 30, 1906. Such recognition has operated to remove restrictions that previously had barred American pork products from several countries and had embarrassed our meat and lard trade in others. The gain in exports of these commodities in 1911 over 1910 exceeded \$25,000,000. Our total foreign sales of pork products for 1911 amounted to over \$125,000,000.

There has been brought about the adoption by various governments of regulations adequate for the improvement of sanitary and other conditions connected with the preparation and export of fruits and other vegetable products shipped to the United States. These precautionary measures are in the interest of the health of the American people.

Various suggestions offered by the department have been adopted by foreign governments for the improvement of the international parcels-post service from the United States, and measures for the further betterment of this service are under consideration. This is obviously beneficial to American mail-order houses, to all exporters of small-package goods, and aids in the distribution of samples of merchandise.

The commercial diplomacy of the administration is steadily overcoming the lead which European countries had over us in the South American trade. The geographical equality of Europe with the United States, as measured by ocean distances to the east coast, had become an actual trade superiority through subsidized steamship lines from the European ports, through the control of banking facilities, the ownership of railway lines, and the reciprocal influence of the European and South American newspapers in keeping their readers in touch with the events of both Europe and South America. Now our national policy of mutual helpfulness and confidence in our relations with the Latin-American countries is beginning to bear fruit.

Our total trade with South America—imports and exports—last year was \$291,518,644, as against \$154,767,537 ten years ago. Our exports to South America were \$108,894,894, an increase of \$64,494,699 in ten years. To Latin America as a whole the exports of the fiscal year 1912 amounted to about three hundred million dollars, against two hundred millions in 1909. That is making some headway. We shall continue to make headway both in the east coast countries, with their great internal development, and on the west coast, with the results that will come from the Panama Canal.

In 1909 British, French and German bankers were about to sign with China an agreement to finance a great system of railroads from Canton to Hankow and westward to Szechuen, through a populous part of the Chinese Empire. This was known as the Hukuang loan. This loan was to be secured by internal taxes called *likin*. By the treaty of 1903 China has promised to abolish *likin*, which was a tax most vexatious to commerce. The United States had been urging China to reform her currency, whereupon the Powers would allow her to increase her customs tariff to compensate for the loss caused by the abolition of *likin*. It was clear that if these revenues were hypothecated for a purely European loan, when the United States came to talk about its treaty rights the answer would be "What is this to you? Your citizens are not interested. Ours hold these revenues for security." A country's commerce increases or falls off in proportion to its prestige. The United States had been severely criticised for talking a lot about the "open door" while really having material interests too small to give it a right to be heard. Here was a chance to put America in the first rank in prestige and in real interest as well as in the sentimental interest engendered by the Hay policy. The department at once realized the vast importance of American participation in this loan. Looking about for an instrumentality to use for this broad, national purpose, the department found a group of American bankers powerful enough in resources to be able to enter the struggle with the strongest powers of European finance. To the surprise of the European chancelleries and after President Taft had telegraphed directly to the Chinese regent the victory was won. Our exports to China in the fiscal year 1912 show an increase of 50 per cent over 1910.

It will be remembered that in his famous speech made at Shanghai in 1907 President Taft had revealed his keen and statesmanlike realization of the problems of the Far East. American participation in this Hukang loan proved but the beginning of a broad policy based on his penetrating view of the future in China. Having shown China that we were a practical as well as a theoretical friend, China applied to the United States for a loan for currency reform, the thing most necessary to the prosperity of our trade with that empire. American bankers were prepared for the venture, and the American Government invited in turn British, French and German bankers to join, and their co-operation was readily obtained. A great underlying idea of the policy of these intri-

cate negotiations was the theory of the Administration that the creation of a real community of material interests through great international loans would best serve to assure that concert of the great powers in China so necessary to the safety of the principle of the "open door" and the preservation of the Chinese empire itself.

In Liberia there is a little republic founded long ago by philanthropists and colonized by American negroes. It was about to lose its independence at the hands of its powerful European neighbors through financial complications and weakness. It appealed under a treaty to this country, its guardian. The State Department quietly went to work and brought about an arrangement whereby American and foreign bankers are helping Liberia out of the financial troubles. Its frontiers are defined, it gets an American general receiver of customs and three or four negro officers of our army to train its frontier constabulary, and starts with new hope on a career of comparative progress.

The Pan-American policy of President Taft has had as its key-notes friendship, right and justice, with the feeling that it was an insult to the republics of Latin-America in seeking friendship to be afraid to ask right and justice. Castro was compelled to leave Venezuela, to the undying gratitude of the Venezuelans. Nicaragua was required to settle the Emery claim, and Zelaya's rule, which had for seventeen years been characterized by extreme injustice to the plain people of Nicaragua, was terminated. By honorable arbitration the thirty-year-old Alsop case, which had embittered our relations with Chile, was adjusted. Latin-America has responded to the realization of President Taft that they, like us, believe in friendship with honor. The result has been a closer relationship in which the United States and such great republics as Argentine, Chile, Brazil and others are trusting one another, believing in a real Pan-Americanism.

There are pending before the Senate conventions with Nicaragua and Honduras. These are on the principle of the Santo Domingo arrangement, which has assured years of peace to that republic. They simply give the United States the privilege of keeping political brigands from waging devastating revolution and to protect such American loans as may be made to rehabilitate the finances of Honduras and Nicaragua. Nicaragua has employed an American financial adviser, two claims commissioners, a collector of customs, an excise expert and a police expert.

Through all the recent troubles of the neighboring Republic of Mexico, the President, with an anxious eye to the safety of our 40,000 people in that country, took one wise measure after another to assure hands off, to hold aloof from Mexico's internal workings, and yet to insist upon the protection of American interests, and to safeguard American rights.

The Democrats in the Senate have practically destroyed President Taft's magnificent arbitration treaties with Great Britain and France. These treaties represented the world's highest aspiration toward peace and arbitration.

Besides leading the world in the ideals of peace and arbitration, President Taft's Administration has actually prevented three wars. It proposed and successfully carried out the tripartite mediation of the United States, the Argentine Republic and Brazil, which prevented war between Peru and Ecuador when the opposing armies were advancing literally in sight of each other. Some months ago, when Haiti and the Dominican Republic were at each other's throats their hands were stayed by the influence of the United States. When civil war was just breaking out in Honduras the State Department sent a commissioner, who brought the opposing leaders together on the deck of an American warship, with the result of an understanding which has kept the peace ever since in that republic. The old boundary dispute between Panama and Costa Rica, when it had reached a dangerous stage, was submitted to arbitration by the Chief Justice of the United States after a day's negotiation in the State Department. With the same good offices Haiti and Santo Domingo have agreed to negotiate for the arbitration of their boundary difficulty. So keen has President Taft been to

forestall causes which might compel another intervention by the United States in Cuba that his wise and friendly advice to the Cuban Republic has been well called the "preventive policy."

With a businesslike realization of the needs of our commerce, President Taft has urged legislation to facilitate the establishment of American banks and branches of American banks in foreign countries, especially Latin America, and in his annual message of 1910 he had this to say of the need of aid to our foreign merchant marine :

"Another instrumentality indispensable to the unhampered and natural development of American commerce is merchant marine. All maritime and commercial nations recognize the importance of this factor. The greatest commercial nations, our competitors, jealously foster their merchant marine. Perhaps nowhere is the need for rapid and direct mail, passenger and freight communication quite so urgent as between the United States and Latin America. We can secure in no other quarter of the world such immediate benefits in friendship and commerce as would flow from the establishment of direct lines of communication with the countries of Latin America adequate to meet the requirements of a rapidly increasing appreciation of the reciprocal dependence of the countries of the Western Hemisphere upon each other's products, sympathies and assistance.

"I alluded to this most important subject in my last annual message; it has often been before you, and I need not recapitulate the reasons for its recommendation. Unless prompt action be taken, the completion of the Panama Canal will find this the only great commercial nation unable to avail in international maritime business of this great improvement in the means of the world's commercial intercourse.

"Quite aside from the commercial aspect, unless we create a merchant marine, where can we find the seafaring population necessary as a natural naval reserve, and where could we find, in case of war, the transports and subsidiary vessels without which a naval fleet is arms without a body? For many reasons I cannot too strongly urge upon the Congress the passage of a measure of mail subsidy or other subvention adequate to guarantee the establishment and rapid development of an American merchant marine, and the restoration of the American flag to its ancient place upon the seas."

By means of the International Opium Conference held at The Hague last winter, in which the United States took so prominent a part, the nations have reached an agreement to co-operate with China in eradicating the opium evil and, also, themselves to undertake by domestic legislation to end the vicious traffic in this and other injurious habit-forming drugs.

The seventy-year-old fisheries dispute with Great Britain has been successfully settled by arbitration at The Hague; the Passamaquoddy Bay boundary dispute has been settled by arbitration; fisheries regulations for the boundary waters between the United States and Canada have been negotiated and laid before the Congress; there has been created a High Joint Commission to deal with various questions arising with Canada, such as the distribution of waters, etc.; a convention between the United States, Great Britain, Japan and Russia providing means for the preservation and protection of fur-seals in the North Pacific was signed July 7, 1911, thus bringing to success the long and, at times, apparently hopeless effort to preserve the valuable seal herds of the United States.

Investigations Abroad in the Interest of the Farmer.

President Taft has set the State Department to work directly in the interest of the American farmer. He wants to provide the American farmer with cheap money, that he may increase the productivity of his land, just as the farmer of Europe has done. The European farmer is to-day the peer of the biggest industrial corporation of his country as a borrower. He secures money on terms as good as those extended to municipalities or railways. But the American farmer is forced to borrow his money under the old mortgage system.

He is restricted to the local money market in floating his mortgage. If bad crops, or any other local condition makes money tight in his neighborhood he suffers. He pays one rate of interest in Texas and another in Maine. Even under the most favorable conditions he is forced to pay a higher rate of interest than his farm land security should require. He cannot secure as advantageous terms as he should. He needs not only cheap money, but "quick" money. In short, for him to reap to the fullest extent the benefits of his labor, he must have a modern financial machine to assist him, to afford him credit—easily, quickly and cheaply, just as any commercial house has to-day.

Co-operation among the farmers of Europe has given them these advantages. Instead of each individual farmer pledging his land or personal property as security for a mortgage loan, as is done in this country, groups of farmers in Europe pledge their united security, and bonds issued upon this security are floated everywhere over the country, so that the European farmer is relieved from the disadvantages of a narrow money market. His mortgage-secured bond is sold in the biggest money centers, presenting as attractive an investment as a gilt-edged industrial bond. Through rural banks European farmers are provided with modern financial machinery. President Taft hopes to assist the American farmer by giving him some such financial machinery. The present system under which the farmer secures his money is an unnecessary burden, and one which President Taft declares must be removed. He considers it just as essential that the farmer should be given this financial machinery for the conduct of his business as that the banking and currency laws of the country should be reformed in the interest of general business. Therefore, he has directed the Secretary of State to set all of the American diplomatic officers in the countries where the farmers' co-operative credit system is used at work to study the question, so that a plan may be formulated suitable for the adoption of the system in the United States.

President Taft selected Myron T. Herrick, formerly Governor of Ohio, who has made the farmers' welfare problem a careful study for years, and sent him to Paris as Ambassador, with special instructions to make an investigation of the European farmers' credit systems in the interest of the American farmer. He gave this to Ambassador Herrick as his most important task. When the investigation has been completed President Taft will recommend legislation extending these advantages to the American farmer. Such legislation is urged in the Republican national platform.

TREASURY DEPARTMENT.

Reforms in the Customs Service.

That part of the public service through which is collected the customs revenue, amounting approximately to \$320,000,000 a year, or nearly one-half of the total income of the Government, has received the personal attention of the present Administration with most gratifying results. The view taken has been of the broadest possible character, striving to elevate the standard of efficiency as applied to the personnel of the service, embracing an equitable and effective application of the tariff laws from a business standpoint, going into the field of commercial activity and co-operating at first hand with the business man, and attacking irregularities which threatened the very existence of honest importers of numerous lines of foreign merchandise.

In the investigation of conditions in the import trade of the country great disclosures of fraud were made and punished. The Department applied the acid test of regularity and honesty to every important branch of import activity. Among other things, cutlery, art objects, model gowns, woollens and linings, feathers and flowers, Panama hats, laces and embroideries, special machinery, kerosene and linen were found to be entered

through various customs ports under conditions which made competition impossible on the part of honest importers who complied with both the letter and the spirit of the customs law.

In connection with the sugar frauds, for example, one company alone paid the Government as judgment in a forfeiture suit, \$135,486.32; as compromise in a civil suit, \$2,000,000, and as compromise in drawback cases, \$700,000, a total of \$2,835,486.32. Another sugar company paid in compromise \$695,573.19, and another \$604,304.27. Offers now pending aggregate over \$350,000.

The number of criminal prosecutions in customs cases from March 4, 1909, to June 1, 1912, was 411. From these 340 convictions resulted, and many jail sentences. During this time the amount collected in fines in criminal cases was \$209,635.04.

The number of customs civil suits filed between March 4, 1909, and June 12, 1912, was 509, and the amount collected therein \$4,672,216.86. Three hundred and sixty-seven cases of this sort were settled without suit upon payment of fines amounting to \$2,615,796.90.

Since March 4, 1909, then, the Department has collected \$7,497,648.80 in civil and criminal customs cases, and upon customs claims without suit. During the period from January 1, 1906, to March 4, 1909, under the previous Administration, a total of only \$511,358.75 was collected.

This is a clear receipt annually of over 22 per cent of the entire cost of collecting the revenue from customs for the three years in question.

A greater achievement, however, than the collection of evaded duties has been the rehabilitation of great lines of commercial activity, wherein it is now possible for the honest and conscientious importer to transact business along legitimate lines. It is now not only possible, but advisable, to import merchandise according to law.

The customs service, under the present Administration, has been beset with unusual difficulties. It was at once confronted with the perplexities involved in the enforcement of a new general tariff Act, the Payne law of August 5, 1909, which departed in many ways from any previous tariff Act, involving approximately 900 changes in the rates of duty alone. During the two years following its enactment, over 266,000 classification and appraisement appeals were filed by importers.

To offset in part this difficulty, the Administration established the Court of Customs Appeals, which has had a far-reaching effect in remedying the delays in customs cases which had for so many years been a serious obstruction to the transaction of commercial business. This Court began the hearing of cases in June, 1910. On June 1, 1912, the Court had completed the second year of its work. During this period 900 cases were adjudicated; 385 written opinions were handed down, some involving a number of cases; and at the present time the remarkable legal record has been established of a docket on which only three cases remain argued and undecided.

Before the creation of this Court, cases before the Board of General Appraisers could be appealed to the Circuit Courts, then to the Circuit Courts of Appeals, and finally to the Supreme Court of the United States. Under the old practice, the minimum time in which an issue could be finally adjudicated between the importers and the Government was two years, and in some cases, involving hundreds of thousands and even millions of dollars, more than ten years were consumed before final settlement was reached. At the present time final decisions by the Court of Customs Appeals may be reached within two months after the cases are decided by the Board of General Appraisers. Cases normally come to final settlement within from four to six months after the Board's decision, and what used to be a matter of years has now been reduced to a matter of months.

The new tariff Act, in addition to changing so many rates of duty, made many administrative changes, affecting a great variety of subjects and necessitated exhaustive investigations in the United States and abroad. It has been from the beginning the desire of the Secretary of the Treasury to conduct the cus-

toms service, a vast business, employing nearly 8,000 persons and extending to every corner of the country, upon strict business principles. The policy has been insisted upon of giving careful and exhaustive attention to every merchant or business man, no matter how small the interests involved in his appeal, and on larger lines it has been attempted to put into effect methods of strict business efficiency which would enable the importers of this country to comply with the necessary requirements of the tariff laws with the greatest possible expedition and with the least possible friction.

In this connection the force of appraising officers, who form perhaps the keynote of the service, have been summoned together each year in New York for intimate conference on points of difficulty with a view to establishing a system of uniform appraisement. Along this same line a system has been established whereby the appraising and classifying officers at each port of the country send at short intervals to New York a record of the appraisements made by them. A summary of these reports is forwarded to Washington monthly, so that the Department may keep a general supervision over this most important branch of the service.

It has been the motto of the service to accept nothing as right merely because it was established. Regulations which had been in force in the Department for years were closely examined and freely revised where it was discovered that they did not meet the business demands of the time. Among the sets of regulations which have been thoroughly revised are those governing shipments to and from the Philippines, the baggage regulations, regulations governing the examination of fruit, execution of bonds covering merchandise brought into the United States for temporary stay, the sealing of merchandise, examination of teas, free entry of products of American fisheries, free entry of samples, free entry of the baggage of Consuls and Diplomatic officers, free entry of works of art, and the rates of drawback on various articles.

In connection with the examination of the personal effects of persons entering the United States, extraordinary efforts have been made to provide facilities and a force of men at the various ports which would enable the absolute requirements of the law to be carried out with as little hardship and inconvenience as possible to the public. Every complaint made by a dissatisfied traveler has been carefully and exhaustively investigated and discipline meted out where it proved to be deserved.

In this connection, also, recommendations have been urgently made to Congress for such a revision of the provisions of the law as would exempt from duty articles of small value purchased abroad as souvenirs or gifts by residents of this country. This revision if enacted will result in the removal of considerable inconvenience to the traveling public at a comparatively small loss of revenue.

Thorough investigations have also been carried out in every customs office in the country with a view to the rehabilitation of the service and the institution of such economies as were consistent with efficiency. The result has been a quickening of administrative efficiency; the insistence upon a full day's work for a full day's pay; the abolition of useless places; the supplanting of incompetent or slothful employes by men with a keener appreciation of their official responsibilities—in short, the establishment in the service of modern business methods.

At New York, for example, which collects over 70 per cent of the revenue derived from customs, although nearly 10,000,000 more packages of merchandise were examined at the Appraiser's Stores during the year 1911 than during the previous year, yet at the end of the year 1911 there were only one-fifth as many awaiting examination as at the close of 1910. This extraordinary improvement has been brought about with a substantial decrease in the force of the appraiser's office and a consequent decrease in the expenditure, and at the same time with an increase in efficiency which is generally admitted by the importing public of New York.

To give further variety to the unusual difficulties which have

fallen upon this Administration, the Department has been obliged to guard the hundreds of miles of the southern boundary of the United States during two revolutions in Mexico. The unsettled conditions along the southern border have required the utmost vigilance on the part of the Department and its officers along the frontier, in co-operation with the Departments of State, War and Justice, to prevent violation of the neutrality laws.

The necessary limitation of space prevents even reference to many important achievements in this branch of the Department service. In reviewing the whole field, however, it should be remembered that these activities have been pursued not in a theoretical, but in an extremely practical manner. The assessing of duties on imported merchandise is not a suitable field for experimentation by theorists; variations of a fraction of a cent at different ports may mean the ruin of an entire business organization. Reform in this service must be careful, methodical and sure. But reform there has been, and though careful, it has extended to the remotest corners of the service.

These figures speak for themselves: the value of importations of merchandise into the United States during the three years ending June 30, 1912, increased approximately \$743,000,000 over the value for the three years previous. The number of employees in the customs service on June 30, 1912, was nearly 200 less than on June 30, 1909. The net expenditure for the year ending June 30, 1912, was approximately \$75,000 less than for the previous year. This is the first year (with the exception of the year of the recent panic) for fifteen years that this expenditure has not increased over that of the year preceding.

Reorganizing the Treasury.

The Treasury Department during the last three years has undergone a most complete and thorough overhauling and reorganization. Immediately after entering upon the duties of his office the Secretary inaugurated an inquiry for the purpose of determining to his own satisfaction how the methods of administration and the details of bookkeeping and accounting in the Department compared with the most approved modern methods employed in private business. His first step was the employment of a reputable firm of public accountants and this firm went through the various bureaus and services which comprise the Department and submitted a report. With its recommendation to begin upon, the Secretary then created a Departmental Committee, to supervise the work of reorganization. A more detailed scrutiny of the work and methods of each bureau than it had been possible for the then firm of public accountants to make in a limited time was now inaugurated. Each bureau was examined by a select committee picked from other bureaus. These select committees were appointed by the Secretary upon the recommendation of the Departmental Committee.

The recommendations of these sub-committees were considered with the opinions of the Bureau heads, and adopted to such an extent as might be agreed upon or determined upon by the Secretary.

The result of this systematic inquiry has been more or less changes in every division of the Treasury, many of them effecting important economies, and all calculated to simplify and expedite the public business, doing away with useless formalities and duplications.

One of the important innovations is the creation of a General Supply Committee, to purchase common supplies in bulk for all the executive departments. During the first year of its operations it was estimated to have effected a saving of \$189,000, and as its operations are extended and the committee becomes more familiar with its work the economies will be larger.

Formerly all currency received at the sub-treasuries in condition unfit for circulation was shipped by express to Wash-

ington for redemption and cancellation. One of the results of this inquiry is that the sub-treasuries were equipped with cancelling machines, and this currency is now cancelled and then shipped by registered mail, effecting a saving in transportation charges of approximately \$80,000 per year.

On March 4, 1909, there were four disbursing offices for the Treasury Department in Washington. The salary list amounted to \$29,050. These offices were consolidated into one with a salary list of \$15,390.

In the office of the Auditor for the Post Office Department various changes in accounting methods made it possible to reduce the force of clerks by 110, with annual salaries aggregating \$123,530.

It is impracticable in the available space to review in detail the reforms throughout all bureaus and divisions. These are simply illustrative of the work of reorganization as carried on throughout the Treasury, the net economies of which to December 31, 1911, were amounting to \$2,562,677 per annum, not counting increased revenues from customs or internal taxes, resulting from more efficient service.

Legislation Secured.

Some of the economies that have been effected were dependent upon legislation, which was provided by Congress at the instance of the Administration. Thus the Secretary of the Treasury has been granted authority within certain limits to issue gold certificates against gold bullion and foreign gold coin. Formerly certificates could be issued only against United States coin. As there is now over \$1,000,000,000 of United States gold coin in the certificate reserves, it is apparent that long before this could be exhausted the bullion on hand could be converted into coin. The act does not close the mints to the use of gold as money, or affect the right of any certificate-holder to demand gold coin.

The Treasury will continue to pay gold coin to all who want it, but it will effect an important economy in the administration of the mints. By abolishing the mint at New Orleans and the assay office at St. Louis a saving of over \$50,000 per year was effected.

Upon the recommendation of the Secretary of the Treasury Congress passed an act allowing collectors of customs and internal revenue to receive certified checks upon National and State banks, a great convenience to business men.

Internal Revenue Service.

THE CORPORATION TAX.

The Bureau of Internal Revenue, like the other branches of the Treasury service, has undergone careful scrutiny during the last four years, and the field service in particular has been much strengthened in efficiency.

A new compilation of the laws has been made; practically every regulation has been revised with a view of collecting the maximum tax with the minimum amount of friction and annoyance; and a strict merit system of promotions has been installed throughout the service, and prosecutions of persons detected in fraudulent practices have been vigorous and severe. As a result frauds in the manufacture and sale of alcoholic liquors have been to a large extent eliminated, and the complete system of scientific control installed would seem to render the return of extended fraudulent operations an impossibility. The same is largely true with respect to the other subjects of taxation, particularly oleomargarine and adulterated butter. The number of illicit distilleries seized has increased from 1,130 in 1908 and 1,743 in 1909 to 2,482 in 1911, the 1912 figures on this subject not yet being available. The cost of collections has decreased from \$20.20 per thousand in 1909 to \$17.11 per thousand in 1912,

though the compensation of a number of classes of employees has been materially increased and their condition bettered.

For the fiscal years ended June 30, 1908, and June 30, 1909, the last two years of the previous administration, the internal revenue collections were \$251,665,950.04 and \$246,212,719.22, respectively. For the two years ended June 30, 1911, and June 30, 1912, the aggregate collections were \$322,526,299.73 and \$321,615,894.69, respectively, an increase in 1911 over 1908 of \$70,860,349.69, and an increase in 1912 over 1909 of \$75,403,175.47.

The collections for the fiscal years 1911 and 1912 established new high records for the Bureau of Internal Revenue, each of these years surpassing the record year up to that time, 1866, when all the Civil War taxes were in effect, by more than eleven millions of dollars. In the previous record year the cost of collection was \$24.80 per thousand, or 45 per cent more than the cost of collection during either of the past two years.

Comparing the aggregate collections for the fiscal year just closed (June 30, 1912) with the collections of the previous administration, it will be noted that for the fiscal year 1912 there was received from the new tax laws—corporation tax, \$28,583,259.81, increased rates on tobacco, \$10,000,000.00, aggregating \$38,583,259.81. Deducting this aggregate from the total collections, \$321,615,894.69, we have \$283,032,634.88, as against \$246,212,719.22, the aggregate from the same sources during the fiscal year ended June 30, 1909; this enormous total of more than thirty-six millions of dollars for the year 1912 (for 1910 and 1911 the amounts were approximately the same), representing in large part an increase to the Government resulting from improved business methods in tax collections.

The Internal Revenue Service now collects more revenue for the Government than any other agency, not excepting the Customs Service. In no time in all of its history have the relations between the Government's collecting agency and the taxpayers been as satisfactory, and at no time in the history of the Service has the work of the Bureau been more efficient and the taxes as closely collected as they have been during this administration.

NEW LEGISLATION.

Early in this administration, when the Treasury was suffering a serious deficit, the President evolved a plan for deriving an income from the enormous volume of business conducted by corporations, and this plan was enacted into what was known as the Corporation Tax Law. The yield from this new source has proved to be an important factor in the national revenues. This law, during the three years of its life, has yielded income as follows: 1910, \$20,959,783.74; 1911, \$33,511,525.00; and 1912, \$28,583,259.81. In addition to this great amount of revenue the law has proved practical and easy of administration, the cost of collection being less than \$10.00 per thousand.

Provision was made in the tariff act of August 5, 1909, for increasing the rate of tax on practically all tobacco products other than cigars approximately 33 1/3 per cent, this increase to become effective July 1, 1910. During the two years that this new rate has been in effect the increased tax therefrom has approximated ten millions of dollars per annum.

THE WAR DEPARTMENT.

The work of the War Department under President Taft has developed in a marked degree. Mr. Taft's long relationship with the department, in the Philippines, in Cuba, in Panama, and then as Secretary of War, gave him a close insight into its workings and its possibilities both as a mighty engine of national defense and as an organization whose officers and men could be used in emergencies in the interests of the people.

The Spanish War greatly broadened the field of operations pertaining to the War Department and the Army, and brought them new and varied activities; and to meet these changed conditions and keep abreast of the rapid and world-wide advance of military science has been an important part of the work of that department since that time. This work has been carried on with the greatest success, and the Army organization proper has experienced a marked improvement in recent years. During President Taft's Administration this work of development has been maintained with unabated vigor and continuous success. The Army has devoted itself more and more to the general good of the service as distinct from the special interests of particular branches. A system for the organization of general depots for the concentration and supply of all military material necessary for war purposes has been established, and the first real military depots this country has had since the great depots were abandoned after the Civil War have been established in Philadelphia, while others are in contemplation in the Middle West and near the Pacific coast.

Closer Relationship With State Troops.

Another step which has been entered upon is that of a closer organization of the State and volunteer forces in such a manner that they may be assembled and welded together in case of hostilities and the country pass automatically from a peace to a war basis. Bills for the organization, mobilization and administration of the regular army, the organized militia and the volunteer forces in the event of war have been recommended by the Secretary of War and Chief of Staff, and several measures for the establishment of a National Defense Council are now pending in Congress and urgently recommended by the President. The Articles of War, which now govern the conduct of the Army in time of peace and war, have been thoroughly revised and transmitted to the Military Committee of both houses of Congress, with the recommendation that they be enacted into law by the President and Congress, but no action has been taken up to this time.

The system which now prevails in the European countries of the world of bringing the average citizen into closer relationship with the military system and giving him a training through which he may be able to perform his proper functions as a soldier in case of possible war, and then again return as quickly as possible to his normal civil life, has received close attention and careful encouragement by the military authorities in recent years. The War Department has within the past year presented to Congress plans for giving effect to these views, the essential feature of which is the creation of the largest possible reserve of trained and experienced men, to be available for recall from civil life to the colors in time of war. The process by which this is proposed to be accomplished consists in shortening the present term of enlistment and curtailing the privilege of re-enlistment, thus passing through the army the greatest possible number of persons, and thus giving to those in civil life a military training which will be of value in case their services are required in actual war.

Another feature of the work of the Army has been to bring itself into closer touch with the State troops, the militia of the country, and co-ordinate the work of the War Department in its relation to the militia of the entire country. Important results have already been accomplished toward making an efficient field soldiery of the organized militia, and this is especially true during the past four years. Arms, equipment and uniforms of the latest pattern in use in the Regular Army have been supplied to the militia and especial attention devoted to fostering those more technical branches which take the longest time to train. The result is that these branches have increased in number about 50 per cent., and whenever State troops have progressed to such a point as to profit by the training of the regular army, camps of instruction are estab-

lished in which the two forces, which must work together in time of war, have been brought closer together in time of peace. Many regular army officers, representing different branches of the service, have been detailed for duty with the organized militia. Instruction in target practice has been given, and the States have been encouraged in every possible way to organize artillery troops to man the coast defenses and in other ways to put their forces in condition in which they will be immediately available in case of war. The various schools maintained in the Army for officers have been thrown open to such officers of the organized militia as have progressed far enough for the instruction given. Camps of instruction for the officers of the militia have been established yearly in each State and many officers of the Regular Army detailed as instructors. Advantage was also taken of the concentration along the Mexican border during the last year of a division of the Regular Army, containing about twelve or fifteen thousand officers and men, and more than one thousand officers of the organized militia were enabled, by visits to and observation of the daily routine of this large body of troops, to gain extremely important information regarding their future duties in case of requirement along these lines.

Panama Canal.

The work of the War Department in relation to the Panama Canal has been of very great importance, and is justly a matter of pride on the part of every citizen in the United States. The work upon the canal has been vigorously prosecuted during President Taft's Administration. More than half the total excavation required has been made since his inauguration on March 4, 1909, and at the present rate of progress will be completed by July 1, 1913. Under the splendid administrative efficiency of Colonel Goethals, of the Engineer Corps, and his associates, this colossal work, the magnitude and complexity of which is without parallel in history, has been carried through in far less than schedule time, and if properly supported by the necessary legislation by Congress, the canal can be opened commercially by the beginning of the year 1914. The work of constructing seacoast defenses for the termini of the canal was begun in 1911 by the War Department, and these when completed will protect the canal locks against naval bombardment and free the navy from the necessity of guarding the canal in time of war and leave it to follow its true objective—the fleet of the enemy.

Philippines and Porto Rico.

The work in the Philippines of the War Department and of William H. Taft as Civil Governor, subsequently as Secretary of War and then as President, has been without parallel in administration of government and development of a people. Mr. Taft as Civil Governor of the Philippine Islands organized the Bureau of Education in these islands in 1901. In 1903 there were 2000 public schools, with an attendance of 150,000 pupils. By 1908 there were 3700 primary schools, with an enrollment of 360,000 pupils and with 6600 Filipino teachers, in addition to the American teachers, and in the last four years have shown an increase of enrollment of pupils to 610,493, while there are now 35 high, 245 intermediate and 4131 primary schools in addition to 8 arts and trades schools, 23 manual training shops, 3 agricultural schools, 1 commercial school and 1 normal school. Ten thousand teachers are now employed. In addition, the University of the Philippines, composed of six different colleges, has been organized in definite form, and has a registration of 1320 students in the various departments. Mr. Taft established English as the language of the schools, not to deprive the Filipinos of a native language, but because English is not only the language of the sovereign power, but the business language of the Orient. As a result there are more people in the Philippines to-day who speak and write English than who speak and write any other language.

The development of Porto Rico under President Taft's Administration has been one of remarkable progress in both public and private activities. There now exists in that island a greater prosperity among the people than at any previous time. Every industry is active and prosperous, furnishing employment to all. Merchandise shipped from Porto Rico to the United States, which amounted prior to annexation to but about \$3,000,000 per annum, was in 1911 \$40,000,000 in value, and in the fiscal year just ended shows a considerable increase over the preceding year. Practically all of this vast sum of \$40,000,000 received by Porto Rico for this merchandise is expended in the United States in the purchase of other classes of merchandise, manufactures, foodstuffs, etc., required by the people of Porto Rico; and the value of merchandise shipped from the United States to Porto Rico, which prior to annexation only averaged from about \$2,000,000 to \$3,000,000 per annum, was in 1911 \$39,000,000, and in 1912 showed also a material increase. The prosperity among the people of Porto Rico indicated by these advances in trade has been further developed by similar progress in governmental matters. The number of graded schools has increased from 563 in 1908 to 695 in 1911, a marked contrast with conditions prior to annexation, since there was in 1899 but a single public school building in the island built for that purpose. The number of miles of excellent macadamized public roads has been annually increased, and facilities thus rendered the people of Porto Rico for transporting the product of the interior of the islands to the water's edge and thence to the markets of the United States and of the world. During the present Administration Secretaries Dickinson and Stimpson, of the War Department, personally visited Porto Rico to study conditions in the islands, and on returning recommended the conferring of United States citizenship on Porto Ricans, and a measure to this end has passed the House of Representatives and is now pending in the Senate.

Work on the Mexican Border.

One of the most important features of the work of the War Department and, indeed, the Administration in 1911 and 1912, has been the massing of several thousand troops along the Mexican border with the purpose of preventing through the influence of their presence such acts of violence against Americans in Mexico and property owned by them as might, if not prevented by this process, compel the sending of troops into Mexico for their protection. At one time the entire border, from the mouth of the Rio Grande in Texas to Santiago, Cal., was patrolled by United States forces, and as the exigency lessened the number of troops was reduced, leaving, however, a force large enough to render the civil authorities any aid that might be required to secure the proper enforcement of the neutrality laws in Mexico. Upon this subject President Taft in his speech of acceptance said: (See page 13, speech.)

Our Mexican neighbor on the south has been disturbed by two revolutions and these have necessarily brought a strain upon our relations because of the losses sustained by American citizens, both in property and in life, due to the lawlessness which could not be prevented under conditions of civil war. The pressure for intervention at times has been great, and grounds upon which, it is said, we might have intervened have been urged upon us, but this administration has been conscious that one hostile step in intervention and the passing of the border by one regiment of troops would mean war with Mexico, the expenditure of hundreds of millions of dollars, the loss of thousands of lives in the tranquilization of that country, with all the subsequent problems that would arise as to its disposition after we found ourselves in complete armed possession.

In order to avoid the plain consequences, it seemed the course of patriotism and of wisdom to subject ourselves and our citizens to some degree of suffering and inconvenience, and to pass over with a strong protest and a claim for damages even those injuries inflicted on our peaceful citizens in our own territory along the border by flying bullets in engagements between the governmental and the revolutionary forces on the Mexican side. It is easy to arouse popular indignation over an instance of this character. It is easy to take advantage of it for the purpose of justifying aggressive action, and it is easy to cultivate political support and popularity by a warlike and truculent policy,

but with the familiarity that we have had in the carrying on of such a war in the Philippines and in Cuba, no one with a sense of responsibility to the American people would involve them in the almost unending burden and thankless task of enforcing peace upon these 15,000,000 of people fighting among themselves, when they would necessarily all turn against us at the first manifestation of our purpose to intervene. I am very sure that the course of self-restraint that the administration has pursued in respect to Mexico will vindicate itself in the pages of history.

Co-operation in Affairs of the Daily Life of the People.

One feature of the work of the Army in recent years has been for development along the lines coming closer to the interests of the people in emergencies arising in civil life, and this has been especially notable in the work performed in relief work, fighting forest fires, relief of flood sufferers and the development of a system for the prevention of typhoid fever through inoculation and the sanitation of the Panama Canal Zone.

Fighting Forest Fires—During August and September, 1910, troops of the Regular Army rendered valuable and efficient service in fighting forest fires in the Northwest. On August 5th the president of the Western Forestry and Conservation Association, representing the States of Montana, Idaho, Washington and California, telegraphed the President that very destructive forest fires were raging in the national forests of those States, threatening, unless checked, to destroy millions of dollars of property and endanger the lives of citizens, and requested that the federal troops located in those States be at once rushed to the scene of the conflagration to co-operate with the Forest Service in checking and preventing the destruction of the property of the Nation. The President directed that orders be issued to the proper military authorities to render all possible aid in suppressing the fires, and instructions to that effect were immediately given to the commanding generals of the military departments concerned.

At that time most of the troops stationed in that section of the United States were concentrated in camps of instruction. The fires increased so rapidly and became so menacing to life and property in the small towns in Montana, Idaho, Washington and Oregon, and to the forest reserves, that practically all of the troops at the camp of instruction at American Lake, Washington, were withdrawn and with other troops were sent to various points in the States affected, over 2000 officers and enlisted men being engaged in the work of assisting the Forest Service in fighting and extinguishing the fires. The fires would break out afresh after it was thought they were under control, and it was not until September 19, 1910, that the last troops were reported to have returned to their stations.

The Secretary of Agriculture, in transmitting the thanks of his department for the assistance rendered, commended in highest terms the splendid discipline and efficiency displayed by the troops under the many difficulties and great discomforts encountered by them in this work.

Relief of Flood Sufferers—Early in the spring of the present year disastrous floods arose in the Mississippi River and its tributaries, the water reaching the highest level ever recorded, and even now it has not entirely subsided. The President immediately ordered that the supplies of the Army be drawn upon for the relief of those whose homes had been devastated, and food, shelter, medicine, forage for horses and cattle, transportation, etc., were quickly supplied for the immediate relief of the appalling distress created and threatened by this disaster.

Officers of the Quartermaster, Engineer, Subsistence and Medical Departments were sent to the flooded districts and placed in charge of the relief work, and will carry it forward until improved conditions have reached a point where it can safely be left in the hands of the local authorities.

In the work of supplying relief to the thousands of destitute persons in the flooded regions and in protecting the levees against impending floods, it is estimated that the expenditures of the

War Department agencies will reach a total of a million and a quarter dollars.

Many new facts have been disclosed by the flood, and the Department, in co-operation with the Department of the Interior, is making a careful study of them with a view to determine the proper measures to be taken for preventing flood losses in the future and controlling the river for navigation.

In a letter of May 24, 1912, to the Secretary of War, the Citizen's Relief Committee of Memphis, Tenn., gives great credit to the army officers engaged upon the relief work in that district for their valuable and untiring efforts.

Typhoid Prophylaxis.—One of the most striking achievements which has ever been accomplished by the Medical Corps of the Army is the demonstration made last year of the value of the typhoid prophylaxis. In this particular branch of preventive medicine the physicians of the Regular Army are leading the progress of the medical world, and it is believed that the value of this phase of their work will equal that of their discovery of the cause and method of prevention of yellow fever. Experiments in the use of an anti-typhoid serum have been made in various countries for a number of years. Our own officers have been at work on the development and improvement of this method for several years, but prior to March 9, 1911, all persons submitting to treatment in the Army were volunteers. As soon as the orders for the recent mobilization in Texas were issued, instructions were given that all troops participating should receive the prophylactic treatment. The results of this measure were remarkable, and may be regarded as conclusively demonstrating the effectiveness of this remedy as a protection against typhoid fever. During the mobilization about 16,000 men were concentrated in military camps in the country, certain portions of which were distinctly infected with typhoid fever. During the first four months of the encampment, 49 cases of typhoid occurred among the city population of San Antonio and 192 in Galveston. In the Army camps typhoid fever was practically absent, there being only three cases in all of the camps—two in San Antonio and one in San Diego. One of these cases was of a teamster who had evaded the inoculation. Not a single case occurred at Galveston nor at the numerous camps along the Mexican border.

The value of the typhoid prophylaxis and the immense advantages in camp sanitation with reference to typhoid fever can be best grasped by comparing the prevalence of the disease among the troops of the maneuver division at San Antonio and those of the Second Division of the Seventh Army Corps assembled at Jacksonville, Fla., during the Spanish War. This latter division was not particularly unfortunate in its record for that time, and is selected because of the close similarity of its conditions of service to those of the maneuver division at San Antonio. The two divisions were encamped in nearly the same latitude and for about the same length of time, and each had a good camp site and a good water supply of unimpeachable purity. While the period in camp of the second division at Jacksonville was rather later in the year, the number of men involved in the division at San Antonio was larger. With an average strength of 10,759 men in the division at Jacksonville, Fla., in 1898, there were 2693 cases of typhoid fever, certain and probable, with 248 deaths. The average strength of the division at San Antonio in 1911 was 12,801. Among this number there were but two cases of typhoid fever, and no deaths from that cause.

SANITATION—PANAMA CANAL ZONE.

The tremendous and important results in sanitation accomplished in the Canal Zone under the direction of Col. W. C. Gorgas, of the Medical Corps of the Army, have been graphically stated by Dr. William Osler, formerly of Johns Hopkins University, now regius professor of medicine in Oxford University, in the following language:

Read the story of yellow fever in Havana and in Brazil if you wish to get an idea of the powers of experimental medicine; there is nothing to match it in the history of human achievement. Before our eyes to-day the most striking experiment ever made

in sanitation is in progress. The digging of the Panama Canal was acknowledged to be a question of the health of the workers. For four centuries the isthmus had been a white man's grave, and at one time during the French control of the canal the mortality reached the appalling figures of 170 per thousand. Even under the most favorable circumstances it was extraordinarily high. Month by month I get the reports, which form by far the most interesting sanitary reading of the present day. Of more than 54,000 employes (about 13,000 of whom are white) the death rate per thousand for the month of March was 8.91, a lower percentage, I believe, than in any city in the United Kingdom, and very much lower than in any city in the United States. It has been brought about in great part by researches into the life history of the parasite which produces malaria, and by the effective measures taken for its destruction. Here again is a chapter in human achievement for which it would be hard to find a parallel. But let us not forget that these are but illustrations of widespread possibilities of organization on modern lines.

The death rate given above of 8.91 was the annual average per thousand of deaths among employees for the month of February instead of March, as stated, and was for all causes, external causes as well as disease. This rate was published in the March report, the figures relating to the number of employees being compiled from the pay rolls of the preceding month. The March report also shows that the total number of employees on the pay rolls during the month of February was 51,119, instead of "more than 54,000." In the same report the death rate per thousand for the entire population—147,962, including employees and the civil population—of the Canal Zone and the cities of Panama and Colon is given as 18.33. This figure compares favorably with the death rate of some cities of the United States of over 100,000 inhabitants.

To recapitulate, during the epidemic of 1904 to 1905, there were 246 cases of yellow fever and 84 deaths; 133 cases and 35 deaths were of employees. It is safe to say that if American methods of controlling the disease had not been put into effect, there would have been a great epidemic during the time above specified, but the disease was practically held in check from the beginning.

While the records during the French régime are not complete, it is known that from 1881 to 1889 there were 1200 deaths from yellow fever in Ancon Hospital alone.

Similar methods to those employed in yellow fever suppression have been used in the Canal Zone for the destruction of the mosquito, the anopheles, which carries the malaria germ, and the following table, showing the rate of admission to hospitals of malaria cases, gives an idea of the improved conditions as regards this disease now obtaining:

	Per 1000.		Per 1000.
1904.....	125	1908.....	282
1905.....	514	1909.....	215
1906.....	821	1910.....	187
1907.....	424	1911.....	184

THE DEPARTMENT OF JUSTICE.

The activities of the Department of Justice have been a marked feature of President Taft's Administration. His respect for law and desire that it be fairly and fearlessly administered and enforced has been reflected by marked activity on the part of this department. Its work in the enforcement of law, regulating and controlling corporations, is fully presented in the chapter entitled "Control of Corporations," which will be found by reference to the index. Other features of the work of the department are shown below:

The Bureau of Investigation.

Under date of the 16th of March, 1909—within a few days after the inauguration of President Taft—there was organized, in the Department of Justice, a Bureau for the purpose of enabling the Attorney General to gather evidence as to vio-

lations of the laws of the United States and to prosecute such violations in a vigorous and systematic manner.

Prior to that time, this important department of the Federal Government had never had under its control an effective organization of this character, and consequently it had been impossible for it to secure that prompt and thorough investigation which is so essential to the proper enforcement of the anti-trust laws, the national banking laws, the laws with reference to bankruptcy frauds, land frauds, mail frauds, the peonage and bucket-shop laws, the neutrality laws and the many other Federal statutes which it is the duty of the Department of Justice to enforce.

This need was promptly recognized by President Taft, and upon entering upon his duties, measures were taken to put the Department of Justice in a position where it could enforce the Federal laws more effectively than ever before. While during former administrations much information reached the department indicating violations of the law, and many different complaints were received, it was impossible, under the arrangement that existed at that time, to have these complaints quickly and thoroughly investigated and proper civil or criminal proceedings promptly instituted. The deficiency in this respect was particularly noticeable in connection with violations of the anti-trust laws and the national banking laws and bankruptcy fraud laws, in the enforcement of which statutes, millions of people throughout the country are vitally interested, and, as a result of this lack of proper facilities, it must be admitted that these laws were not properly enforced.

Immediately upon the organization of this investigation service, however, the practice was inaugurated of instituting at once thorough investigations of complaints, and information reaching this department which indicated a violation of any of the laws above mentioned, regardless of the standing financially or otherwise of the corporation or individual involved, and of instituting without partiality criminal or civil proceedings in all cases where it appeared that the law had been violated. The organization of this investigation service and the institution of this policy of thorough investigation and punishment of all crimes and offenses of the character mentioned has resulted in a more vigorous enforcement of the law than has ever been accomplished by any previous administration.

WHITE SLAVE INVESTIGATIONS.

During the early part of the present Administration Congress enacted (under date of June 25, 1910) what is known as the White Slave Traffic Act, the purpose of which is to prevent the traffic in girls and women between the different States, and also between this country and foreign countries, for the purpose of prostitution and other immoral practices. The enforcement of that portion of this act relating to interstate traffic devolved upon the Department of Justice, and promptly after the enactment of this law the Investigation Bureau of that department began a series of careful investigations for the purpose of collecting evidence as to violations thereof. It soon became apparent that this traffic was very rapidly extending throughout almost every section of the country and that vigorous measures were necessary in order to suppress it and to bring to justice those persons, including both men and women, who were engaged in it.

This investigation speedily resulted not only in the conviction and the confinement in jails and penitentiaries of numerous persons, but the work disclosed facts and conditions of a most horrible nature, which, if allowed to continue, would prove to be a disgrace to the Nation. As soon as the real condition of affairs came to the attention of the Attorney General and the President directions were given to push these investigations with the utmost vigor, and in accordance with these instructions the work was extended and the number of convictions increased. This work progressed with extremely satisfactory results, including the conviction not only of isolated

individuals who were engaged in the procuring and transportation from State to State of young girls and women for the purpose of prostitution and the consequent financial gain to themselves, but it also resulted, during the summer of 1911, in the conviction of persons in New York City who were engaged systematically in the business of supplying to houses of prostitution girls and women throughout a large portion of the eastern part of the United States and whose operations extended as far west as Texas.

Almost immediately after the conviction of these traffickers, and at a time when the marked success of the operations of the department along this line seemed to call for an extension of its activities, and when the results already accomplished seemed to indicate that by extending this work and increasing the vigor of its investigations and prosecutions it would be possible within a reasonable time to practically destroy this infamous traffic, it was found that, on account of a shortage in the funds under the appropriation from which the cost of these investigations must be paid, it would be necessary either to secure a deficiency appropriation or to curtail the work of the department in this direction. Accordingly, a request was made upon Congress for an additional appropriation for this purpose. Congress has, however, utterly failed to provide any additional money for this purpose, and, as a result, it has been necessary for the Department of Justice to curtail its efforts for the suppression of this traffic, and it now finds its hands practically tied, and is unable to properly push its investigations and prosecutions of the multitude of criminals who are engaged in this nefarious traffic.

This condition is especially deplorable, because of the fact that the department is daily in receipt of information which indicates that hundreds of violations of this law (many of such violations being of the most flagrant and outrageous character) are being committed in almost every section of this country.

It is for the people to judge and to say whether or not the party which is responsible for thus tying the hands of the Government under the pretext of economy by reason of their control of the House of Representatives shall be entrusted with added responsibility and power with reference to the control of the affairs of the country.

Public Lands Division.

On November 16, 1909, the Attorney General created in the Department of Justice the Public Lands Division, which is in charge of one of the Assistant Attorneys General.

The work of this division comprehends the supervision of all suits and proceedings concerning the enforcement of public land laws, and includes suits whether they be civil or criminal, or whether the land be open to entry under the general land laws or reserved for public purposes, or lands devoted to the uses of tribal or individual Indians, including actions to recover rents or royalties. For many years there was a growing tendency to ignore the laws relating to the public domain, and they were violated with impunity. In fact this practice had grown to such an extent and had been so long in vogue that the statutes relating to the entry and settlement of public lands had by many come to be regarded as a dead letter. The land laws of the United States have been in force for many years, and the penalties attached for their violation are quite severe, yet, as has been stated, they were most systematically violated in different parts of the country, and it is probable that their lax enforcement has been the result of a public sentiment which made prosecution of the violators very unpopular. The present administration has waged a vigorous campaign against the land-fraud perpetrators, and many of the suits brought have terminated most satisfactorily to the Government. In fact, the success of the crusade against the wholesale land frauds has exceeded the expectations of the most enthusiastic.

On June 30, 1909, there were pending civil suits, of the

various classes above set forth, excluding Indian cases, seeking recovery of 3,122,489 acres of land, valued at over \$51,000,000, and involving \$579,931.82 in damages for trespasses; also a large number of criminal cases. During the last two and a half years 1083 civil suits, involving 1,150,229 acres of land, valued at \$3,500,000 and \$6,306,970.69 in damages for trespasses, have been instituted; also 474 criminal cases, so that during the last three years the Public Lands Division has handled civil cases involving 4,272,718 acres of land, valued at \$69,500,000 and \$6,886,902.51 in damages for trespasses, excluding criminal cases, of which there was a large number. During this period 677 civil cases have been disposed of favorably to the Government, and 1,161,604 acres of land, valued at approximately \$4,500,000 and \$629,944.39 in damages and costs have been recovered. During the same period 285 criminal cases have been determined favorably to the Government and \$132,838.34 in fines, penalties and costs have been recovered.

The suits of greatest magnitude now pending are the Oregon and California Railroad Land Grant suits, the principal one of which involves approximately 2,300,000 acres, valued at \$50,000,000. The other forty-five suits which were brought against the purchasers of land in violation of the restrictions imposed by the granting acts involved in the aggregate 390,000 acres, valued at \$15,000,000. 'Demurrers interposed to the Government's main suit against the railroad company were overruled and the Government sustained on all points of law. Answers have since been filed by the defendants, and the cases are in course of adjudication on their merits.

Indian Cases.

THE FIVE CIVILIZED TRIBES.

There are pending over 300 civil cases involving deeds to lands allotted to Indians of the Five Civilized Tribes, comprehending over 24,000 deeds. The condition among the Seminole tribes, due to forged, fraudulent and otherwise illegal deeds, mortgages, leases and quit claims, by means of which they were ruthlessly deprived of their lands, was deplorable in the extreme, and the activities of the Department have been vigorously directed against the perpetrators. Many actions, both civil and criminal, have been successfully prosecuted by the Government and have produced a most salutary effect.

THE QUAPAWS, SENECA, ET AL.

The result of the employment of a special attorney to prosecute suits, to cancel illegal deeds, mortgages and leases given by Quapaws, Senecas, Ottawas, Modocs, Peorias, Wyandots and Eastern Shawnees has been to terminate the attempts to defraud these wards of the Nation, and the cancellation of such instruments covering many thousands of acres has been effected without litigation.

THE KICKAPOOS.

During the past year eighty-eight cases, involving title to 135 Kickapoo allotments, aggregating 10,800 acres of land, valued at \$540,000, were considered, and all but six were disposed of favorably to the Indians, and these are yet to be adjudicated.

WHITE EARTH RESERVATION FRAUDS.

One thousand and sixty-four suits have been instituted by the Government for the recovery of lands illegally alienated by the Indians of the White Earth Reservation and for accounting by various defendants for timber cut and removed from said lands. Stipulations with attorneys representing many of the defendants have been filed agreeing to the appointment of an examiner, and in many of the cases the attorneys for defendants have agreed that the Government's case in chief

may be made by a stipulation of facts, and it is highly probable that such agreements can be obtained in the remaining suits as well. The Department expects that all of these cases will be disposed of before the close of the fiscal year 1912.

Violations of the Postal Laws.

Postal frauds and violations of the postal laws follow next in numerical importance to the revenue violations. The postal system, because of the quasi secret manner in which communications are transported and delivered, affords almost unlimited opportunity for violations of the law governing the use of the mails. Some of the principal offenses committed against the postal system have been the sending of obscene literature, the operation of lottery schemes and green goods swindles, and other get-rich-quick schemes. The difficulty of detecting and convicting this class of criminals is obvious. Nevertheless, during the first two years of President Taft's Administration, the Department of Justice secured convictions in 2418 cases, as against 1867 convictions during the two years immediately preceding.

Prosecution of Customs Frauds.

Upon the advent of the present Administration there were pending 860 customs cases, and the prosecution of these, and the cases since instituted, has formed an important part of the work of this Administration. The Herculean task of seeking out and prosecuting the perpetrators of the wholesale frauds against the Customs Service has resulted in phenomenal success.

The present Administration has collected in actual cash in fines and back duties from the various sugar importers, at the Port of New York, as follows:

AMERICAN SUGAR REFINING COMPANY.

Penalties and black duties (underweighing)... \$2,135,486.32

ARBuckle BROTHERS.

Penalties and back duties 695,573.19

NATIONAL SUGAR REFINING COMPANY.

Back duties (drawbacks) 700,000.00
Penalties and back duties 604,304.37

\$4,135,363.88

These unprecedented sums have actually been collected in cash.

Also, in connection with the sugar frauds, ten employes and officers of the Sugar Company have been convicted and, in most cases, imprisoned.

All of these men have been imprisoned, excepting one, who is out on bail pending an appeal.

In the Customs Service two head district weighers and four assistant weighers were indicted, tried and convicted for conducting a systematic fraud on the revenue.

Among the other lines of importation in which fraud has been discovered and prosecuted the most important was that involving a firm of dealers in art objects, who were found to have been engaged for many years in the fraudulent undervaluation of works of art. While the members of this firm were, with one exception, Englishmen resident in England, they were compelled to pay \$1,180,000 in settlement of the civil penalties. They came to this country and pleaded guilty to criminal charges, upon which pleas the court imposed a fine of \$15,000 in one case and \$10,000 in two other cases.

Another important case was that of a custom house broker of a very large business, who was discovered to have engaged for a long time in fraudulent importations by means of forged ap-

praisement orders. He fled the country, but was extradited from Italy, brought back to this country, where he pleaded guilty, and was sentenced to fifteen months' imprisonment.

Over one hundred importers have been convicted for undervaluations, and during the last year over \$2,000,000 have been collected in cash penalties and back duties.

During the last two years 445 persons have been convicted for frauds on the customs.

Corporation Tax Law.

Section 38 of the Payne-Tariff Act of August 5, 1909, provides that every corporation, joint stock company or association organized for profit, having a capital stock represented by shares, shall be taxed in an amount equivalent to 1 per centum upon its entire net income over and above \$5000 received by it from all sources, with certain necessary exceptions.

The constitutionality of this act was attacked in various suits which were argued before the Supreme Court in January, 1910, subsequently restored to the docket for reargument before the full bench, and finally argued in January, 1911, resulting in the unanimous decision of the Supreme Court, fully sustaining the constitutionality of the act and also affirming the construction which had been placed by the Department of Justice upon the act in its application to the various corporation appellants.

Prosecution of Census Frauds.

During the year 1910 the Secretary of Commerce and Labor called to the attention of the Attorney General that numerous frauds had been perpetrated in taking the enumeration for the Thirteenth Decennial Census. A special attorney was appointed for the purpose of investigating and prosecuting these frauds. The investigation resulted in the discovery of wholesale frauds in a number of places, and indictments have been secured against census supervisors and enumerators for fraudulent acts in connection with the census returns.

These false returns involve the enumerations of Tacoma, Seattle, Spokane, Walla Walla, Bellingham, Hoquiam and Aberdeen, in the State of Washington; Missoula, Havre and Billings, in the State of Montana; Portland, Ore., and Superior, Wis. Indictments were also secured for frauds at Fort Smith, Ark. Three of the four persons there indicted pleaded guilty; six pleaded guilty in the Montana cases; one at Walla Walla, Wash., and one at Portland, Ore. Fines were imposed in all of these cases. At Portland, Ore., an indicted enumerator was convicted, fined and sentenced to six months in jail. At Seattle, Wash., an indicted enumerator pleaded guilty and was fined. A supervisor, two special agents and twenty-five enumerators were indicted for frauds in connection with the census of Tacoma, Wash., where about 35,000 fictitious names were entered on the returns.

The Enforcement of the Food and Drugs Act.

The Food and Drugs Act of June 30, 1906 (34 Stat., 768), became effective January 1, 1907, and has been vigorously enforced.

More than one thousand food and drug cases have been successfully prosecuted by the Department of Justice during the present Administration. Fines amounting to \$30,000 have been imposed against defendants in criminal cases, and decrees of condemnation and forfeiture have been taken against more than five hundred shipments of adulterated and misbranded foods and drugs. The amount of the fines in individual cases has steadily increased with the age of the statute, and the maximum fine is now generally imposed for first offenses.

Convictions have been obtained against the shippers of filthy egg products, olive oil heavily adulterated with cotton-seed oil, flavoring extracts containing wood alcohol, short-weight canned and bottled goods, spices adulterated with foreign material, skimmed, watered and filthy milk, etc.

There have been seized and destroyed large quantities of

tomato catsup, tomato pulp, tomato paste, frozen and dessicated eggs and black olives, found to be adulterated because they consisted in part of putrid and decomposed substances. Several shipments of ice cream cones containing boric acid have also been condemned and destroyed. A decree of destruction was also taken against a shipment of coffee coated with lead chromate. There have been seized also large quantities of flour bleached with nitrogen peroxide, a poisonous substance, and canned sardines reported by the Department of Agriculture to be filthy or decomposed.

Large quantities of foodstuffs, reported by the Secretary of Agriculture to contain filthy and decomposed material, have been destroyed, while in a very considerable number of cases, where the offense against the statute could be cured by relabeling, consignments of foods and drugs have been released to claimants after relabeling, on the furnishing of bonds that the goods would not be sold or otherwise disposed of contrary to law.

When the Supreme Court decided, in May, 1911, that the Food and Drugs Act was not broad enough to cover false claims as to the efficiency of medicines, President Taft sent a vigorous message to Congress urging the necessity for remedial legislation. Referring to the decision, the President said:

"It follows that, without fear of punishment under the law, unscrupulous persons, knowing the medicines to have no curative or remedial value for the diseases for which they indicate them, may ship in interstate commerce medicines composed of substances possessing any slight physiological action and labeled as cures for diseases which, in the present state of science, are recognized as incurable. An evil which menaces the general health of the people strikes at the life of the nation. In my opinion, the sale of dangerously adulterated drugs, or the sale of drugs under knowingly false claims as to their effect in disease, constitutes such an evil and warrants me in calling the matter to the attention of the Congress."

Reports received by the Department of Agriculture from its laboratories in different sections of the country show that the successful prosecutions of violators of the Food and Drugs Act have produced a marked improvement in the sanitary condition of factories and in the quality of foods and drugs which are shipped in interstate commerce in this country. It is reported, for example, that the use of harmful preservatives in foods has been largely discontinued; that the number of shipments of flour bleached with nitrogen peroxide has been considerably reduced; that mixtures of flour are properly labeled, so as to inform customers of the ingredients of the mixture; that cheese made from skimmed milk is labeled as such; that coffee is no longer adulterated with peas, chicory, cereals, and other foreign material; chocolate and cocoa no longer contain flour and shells; that spices are generally free from inert materials having no condimental value; that flavoring extracts are sold for what they are; that mixtures of cane syrup flavored with maple are no longer offered for sale as maple syrup; that cotton-seed oil is not now marketed as olive oil; that candy manufacturers are discontinuing shellac coatings; that shipments of cheese are correctly branded as to weight; that evaporated milk is sold as such and not as evaporated cream; that domestic wines are no longer disguised by foreign labels; that foods in general are practically free from filthy and decomposed substances; that the habit-forming drugs specified in the act are indicated on the labels of medicinal preparations, and that the quality of crude drugs is greatly improved.

National Banking Act Enforced.

During the past three years there have been more than two hundred cases of alleged violations of the National Banking Laws investigated, resulting in the indictment of practically every offender where the evidence showed criminal intent. The records show that those indicted have been speedily brought to trial and numerous convictions have been secured. A number of cases are

now pending throughout the United States and Alaska, awaiting trial, which will be had as soon as they can be reached on the docket, while still other cases are at present undergoing a thorough and systematic investigation, as it is the policy of the present Attorney General to seek out and vigorously prosecute these offenders without fear or favor.

During the past twelve months approximately thirty bank officials and employes have been actually convicted in the Federal Courts under the National Banking Laws, and there are at present twenty-five such criminals in confinement in the Federal Penitentiary at Leavenworth, Kans., fourteen in the Federal Penitentiary at Atlanta, three in the Federal Penitentiary at McNeil's Island, Wash., and seven in other prisons, thus making a total of forty-nine bank officials and employes at present serving prison sentences in expiation of their crimes against society.

The stupendous responsibility devolving upon the administration charged with the duty of enforcing the National Banking Act and conserving the interests of depositors in national banks, is readily appreciated when consideration is given to the fact that the aggregate deposits in national banks by individual depositors is over \$5,630,000,000.

POST OFFICE DEPARTMENT.

When President Taft was inaugurated, he was confronted with a postal deficit of nearly \$18,000,000, which was inherited from the previous Administration. During the short period of about two years this enormous deficit has been eliminated and a small surplus established. This remarkable condition of affairs has not been brought about by the curtailment of postal facilities, but by the cutting out of wasteful expenditures and the introduction of up-to-date business methods. The policy adhered to has been to extend the service as rapidly as warranted by increasing population and by handling in a more systematic and businesslike manner the constantly increasing volume of mail. The number of complaints recorded has been remarkably low, in fact proportionately lower than during any other year.

Important extensions have been made in every branch of the service. As evidence of this, there have been established 3744 new post offices, delivery by carrier has been provided in 186 additional cities, and 2516 new rural routes, aggregating 60,679 miles, have been established. During this time the force of postal employes has been increased by over 8000. In compensating employes a liberal policy has been followed. Last year the total amount expended for salaries was approximately \$14,000,000 greater than two years ago. The average annual salary has been increased from \$869 to \$967 and from \$979 to \$1082 for post office clerks, from \$1021 to \$1084 for city letter carriers and from \$1168 to \$1183 for railway mail clerks. It will be seen that extensions of the postal service and the compensation of its employes have not been overlooked in the elimination of the postal deficit.

The disappearance of the deficit is a subject of gratification to the Administration, since it is the first time that such a condition has existed since 1883.

At the beginning of the Taft Administration there was found in the Post Office Department a complicated and unstandardized system of bookkeeping. Every Assistant Postmaster General kept his accounts in his own way without reference to his colleagues and the rest of the department. This made checking up an almost endless labor and one attended with great expense. The Postmaster General, after a thorough study of the situation, introduced a modern double-entry system of accounts, uniform and standardized, by which the department is now for the first time administered as a unit of homogeneous parts.

This reform, briefly summarized, consisted of—

- a. A record of all postal- and money-order fiscal transactions, systematically arranged.
- b. The gathering of all financial data within three weeks from the end of each quarter, thus informing the Postmaster General as to whether a deficit or a surplus exists for that period. Under the previous system this information was not obtainable until about the time the following quarter was beginning.
- c. Complete reports as to their cash balances from all postmasters who make deposits, removing the temptation to keep unused sums on hand, and making it possible to turn into the Treasury for postal expenses unduly large balances, thus making borrowing unnecessary.
- d. Assembling of daily reports of money-order transactions and frequent money-order adjustments between offices, instead of waiting until the end of the quarter.
- e. Close co-operation between the Treasury Department, which audits postal finance, and the Post Office Department, eliminating a vast amount of duplication.

As a result of these changes, the department is to-day financed from current receipts, instead of by grants from the General Postal Fund. It pays as it goes, and at any time it can be found out in a few minutes just what the balance is.

While a new system of compensation to railways for carrying mails is before Congress for approval, with the expectation that it will save \$9,000,000 a year, action has been taken resulting in a saving of \$2,000,000 a year on this item by taking the average weight of the mails for seven days, including Sunday, instead of basing the rate of compensation on the average of the amount of mail carried by the roads on the six weekdays formerly set apart for the weighing.

The shipping of certain magazines by fast freight, instead of in mail cars, with a provision for classified separation at certain interior cities, has resulted in a tremendous saving. It also gives the railway mail clerks more time and space in which to handle first-class mail, facilitating that important branch of the service most materially.

Although a demand for a postal-savings system has existed for many years, not until after the advent of the Taft Administration was it pushed with any vigor. By persistent effort the present Administration finally secured the passage of an act creating such a system in this country on June 25, 1910. Immediately after this action had been taken by Congress, efforts were made to put the system in operation with the greatest possible dispatch. Without any undue flattery it can be said that the system as operated in this country at the present time is the most up-to-date, simple and complete system operated in the world. In devising a plan for its establishment in this country the system as operated by the many foreign governments was considered, and by so doing we have been able to make our system an improvement over all others.

Although the act creating the system was only enacted in June, 1910, within less than six months an organization had been perfected and experimental offices opened in every State and Territory. After a careful test of four months at these offices, the system was rapidly extended, and at the present time is being operated in nearly 12,000 post offices.

The deposits have kept pace with the extension of the system. At the end of the first month there had been deposited in the 48 experimental offices a little more than \$60,000; in six months they were increased to nearly \$700,000; after one year's operation the total reached \$12,000,000, and on July 1, 1912, the deposits reached a total of more than \$20,000,000. This sum has been distributed among about 8000 national and state banks, where it is protected by bonds deposited with the Treasurer of the United States.

The postal-savings system is very commonly known as "the poor man's bank." This name is given it because the people in the habit of using it are found to be those who have not been in the habit of using banks at all, but instead have hoarded their money. They are satisfied to make use of this system, because the faith of the United States is pledged to the repayments of its deposits, and as a result the system brings into circulation

millions of hoarded savings and encourages thrift to a far greater degree than private institutions among a particular class of people. The operations of the system so far to date have proved successful, and it will be the policy of the Taft Administration to extend its facilities to practically every section of the country.

If Congress would act on the recommendation of the Post Office Department, which has the approval of President Taft, authorizing a readjustment of railway mail pay, it would result in a saving of not less than \$9,000,000 annually to the Government. The compensation of the railways for carrying the mails has for some time been a problem of great consequence and one that has caused much comment on the part of the American people.

During the early days of the Taft Administration there was begun a thorough investigation of the situation, with a view of determining just what it costs the railways to carry the mails, and whether too much money was being paid by the Government to them for the services rendered. The statistics obtained during this investigation disclosed for the first time the cost of carrying mail in comparison with the revenue derived by the railways from this service. The Postmaster General showed that while many of the railways, and particularly the larger systems, made heavy profits from mail transportation, certain of the lines were actually carrying the mails at a loss.

As a result of the inquiry, the Department urged the abandonment altogether of the present plan of fixing such compensation on the basis of the weight of the mails carried, a plan that has proved to be exceedingly expensive and, in many respects, unsatisfactory. In substitution for this method a plan was recommended to Congress by which the compensation should be determined on the basis of the amount of space required in cars for the handling of the mails, making allowances for the extent and frequency of the service performed. This plan, if authorized by Congress, would require the railway companies each year to report what it costs them to carry the mails, and such other information as would enable the department to determine the cost of mail transportation, this cost to be apportioned on the basis of the car space provided and frequency of service rendered, and payment to be allowed at the rate thus determined in amounts that would cover the cost and 6 per cent. profit.

Should a railway be dissatisfied with the manner in which the department apportioned the cost of fixing compensation, it would have an opportunity, under the proposed plan, of appealing to the Interstate Commerce Commission.

Since the Post Office Department instituted the policy of putting in jail men who use the mails to defraud, the total number of arrests, up to the close of the last fiscal year, June 30th, was 1063, and the amount of money filched by these criminals from the American people is conservatively estimated at more than \$120,000,000. The number of indictments secured is 1067. Four hundred and fifty-two persons have been convicted and 571 cases are awaiting trial.

The activities of the swindlers still at large have been greatly diminished, and in many cases have ceased entirely through their salutary terror of the law and by reason of the punishment visited upon their fellow-crooks. When it was only a fraud order, forbidding the delivery of their mail, which was issued against these operators, most of them worried but little. They would change their names and addresses, alter the title of their "businesses," and continue their operations until the next fraud order compelled them to move on again. But in no case, as far as can be learned, has a person convicted on a criminal charge of this nature attempted to reorganize under a new name.

With the order to post office inspectors to gather evidence for criminal proceedings with the aim of convicting these offenders, the vigorous work of that most efficient body of men has built a wall of protection around the American people.

Investigations have developed the fact that these fraud manipulators, whose stock in trade consists usually of bogus mines, fake remedies or worthless land, with a flood of deceptive circulars and letters, form a distinct class of lawbreakers. Among the numerous wealthy offenders who have been caught, convicted and sent to jail are smug criminals who have posed as respect-

able citizens, leaders in their communities, moving in the highest social and business circles. In many instances they have been millionaires, enriched by plunder from those who could least afford to lose their money.

The policy of first crushing out these powerful criminals has proved exceedingly effective in frightening them from their activities and eliminating smaller operators. The post office inspectors have important regular duties in connection with the routine of the Post Office Department. This work is so extensive and exacting that it should occupy all of their time. Nevertheless, in its desire to protect the American people from the swarm of plunderers, the department has determined to continue this most effective engine of crime detection to stamp out the abuse and to punish the criminals, so that they will not further prosecute their fraudulent designs. In view, however, of the need for the men in the Postal Inspection Service, and of the large expense attendant upon the criminal investigations, it has been recommended to Congress that this task be transferred to the Department of Justice, so that the inspectors may devote all of their time and energy to the work for which the division was originally designed. But while matters stand as they are, the crusade against the use of the mails for purpose of fraud will be conducted with unabated vigor.

The Taft Administration has at all times favored the establishment of a domestic parcel post. Just as the Administration fought for a postal-savings system, it now makes a similar appeal on Congress for appropriations to conduct experiments in the several branches of the Postal Service. The Postmaster General feels that such a service could be established on rural routes with little additional cost to the Government. The equipment necessary for the present mail deliveries in this branch of the service is sufficient for the transportation of packages of merchandise with little or no additional expense. The limited parcel post proposed by the Department as the first step toward a general establishment involves no difficult problem of administration and will enable the Government to render an important service at moderate rates to many millions of people, and at the same time greatly increase the postal revenues.

President Taft has urgently recommended to Congress the adoption of the necessary legislation, and to present the issue clearly three items of \$50,000 each were included in the estimates of the Post Office Department by the Postmaster General. These amounts were asked for to cover the initial expense of introducing a parcel post on the rural routes and in the city delivery service, respectively, and the third item to meet the cost of an investigation looking to the extension of the service to the railways and other transportation lines. The Postmaster General is of the opinion that if Congress will grant without delay the desired authority, and provide the necessary appropriations, a parcel post can be organized as specified and put in full operation before the end of another year. By so doing, the way will have been paved for the final step in the organization of a general parcel post.

THE NAVY.

The largest fleet ever assembled in America was gathered at New York, at the end of October, 1911, for inspection and review. One hundred ships of war, representing our new navy, manned by more than 26,000 officers and men, were inspected and reviewed by the President and Secretary of the Navy, and at the close of the review the fleet put out to sea. This grand gathering of 100 warships of our own navy included 24 battleships, 2 armored cruisers, 2 cruisers, 22 destroyers, 16 torpedo boats, 8 submarines and 4 gunboats. The full strength of the new navy is shown in the following table:

Summary of Vessels in the United States Navy, June 30, 1911.

Types.	Fit for service, including those under repair.		Under construction.		Authorized.		Unfit for sea service.		Total.	
	Number.	Displacement.	Number.	Displacement.	Number.	Displacement.	Number.	Displacement.	Number.	Displacement.
		Tons.		Tons.		Tons.		Tons.		Tons.
First-class battleships.....	29	406,146	6	149,650	2	55,000			37	610,796
Second-class battleship a.....							1	6,315	1	6,315
Armored cruisers.....	12	157,445							12	157,445
Single-turret monitors.....	4	12,900							4	12,900
Double-turret monitors.....	6	26,104							6	26,104
Protected cruisers.....	20	96,674							20	96,674
Unprotected cruisers.....	2	4,144							2	4,144
Scout cruisers.....	3	11,250							3	11,250
Gunboats.....	7	8,677				(b)			8	8,677
Gunboat for Gr. Lakes.....					1	(b)			1	(b)
Light-draft gunboats.....	3	4,155			1	(b)			4	c 4,155
Composite gunboats.....	8	8,190							8	8,190
Training ships, steel.....	2	3,600							2	3,600
Training brigantine.....	1	346							1	346
Special class.....	2	2,416							2	2,416
Gunboats under 500 tons.....	9	2,439							9	2,439
Torpedo-boat destroyers.....	33	19,999	9	6,678	8	8,251			50	34,028
Steel torpedo boats.....	32	5,157							32	5,157
Submarine torpedo boats.....	18	3,748	17	7,732	4	(d)			39	e 11,480
Iron steam vessels.....	3	3,056							3	3,056
Wooden steam vessels.....	3	5,565					3	4,140	6	9,705
Wooden sailing vessels.....	4	5,620					2	6,350	6	11,970
Tugs.....	44	f 15,713			2	2,240			46	f 17,953
Auxiliary cruisers.....	4	24,959							4	24,959
Converted yachts.....	18	10,106							18	10,106
Golliers.....	20	g 150,462	2	38,735	4	76,264			26	g 265,461
Submarine tenders.....	5	6,771			1	(b)			6	c 6,771
Mine-laying ship.....	1	4,083							1	4,083
Repair ship.....	1	3,380							1	3,380
Transports and supply ships.....	8	44,384							8	44,384
Hospital ships.....	2	9,000							2	9,000
Receiving ships.....	5	23,408					5	18,799	10	42,198
Prison ships.....	3	h 4,005					1	1,100	4	h 5,105
Total.....	312	1,083,002	34	202,795	24	141,755	12	36,695	382	1,464,247

a Used as a target.

b Not designed.

c Excepting the 1 authorized.

d Contracts not signed.

e Excepting the 4 authorized.

f Excepting Locust.

g Excepting Justin.

h Excepting Southerly.

Marksmanship.

For the past two years the Navy Department has been making a study of organization and the economic and scientific management of the resources of the navy, and it is interesting to note what the naval officer has accomplished on the battleship through practicing the principles of scientific management. Experts who saw the recent battle practice say the battleship is the finest exhibition of scientific management they have ever seen.

In 1898 the percentage of hits at the battle of Santiago was $3\frac{1}{2}$ per cent. To-day it is $33\frac{1}{3}$, although the range has increased from 3000 yards to 10,000 yards. The rate of fire then was one shot in five minutes, while to-day it is two shots in one minute. A comparison of the increased rate of firing, the increase in the range, and the percentage of hits shows that we are 1200 times better to-day than we were at Santiago. This has been brought about by better appliances and by systematic study of the men and their qualifications and the recognition of the necessity of placing men, after a careful test, in duties in which they do the best. It means teamwork, and the saving of minutes, and even seconds, where in the industrial world it is a question of hours.

About ten years ago a system of competition in gunnery was established in which all the gun pointers and gun crews took part. Beneficial results were instantaneous. Having trained and developed the individual, it was necessary to co-ordinate the work of the entire gun crew in order to bring about teamwork. With this accomplished, the speed and accuracy of firing the guns were marvelously increased and the hitting efficiency raised to a standard of excellence which is the equal, if not the superior, of any navy in the world. The experimental firings at the "Katahdin" and "San Marcos" have been very instructive in the matter of armor and have furnished information of value in connection with the design of later vessels.

The remarkable performance made by the battleship "Delaware" shows the general efficiency of personnel material of the fleet as nothing else can. The "Delaware" steamed with the fleet from Europe to Cuba, and was then ordered to Hampton Roads to take the remains of the late Chilean Minister back to Chile. This trip of 17,000 miles to Chile and return followed almost immediately the cruise of 9000 miles with the fleet to Europe and return via the West Indies.

The only way to appreciate what has actually been done by the "Delaware" and by her officers and crew is to compare her achievements with the cruise of the "Oregon."

The "Delaware" is almost twice the size of the "Oregon," her displacement being 20,000 tons, while that of the "Oregon" of the Navy was 10,286 tons. When they doubled the size of our battleships, they nearly trebled the horsepower of the machinery. The "Delaware's" machinery came within less than 500 horsepower of developing 30,000 horsepower, while that of the "Oregon" was designed for 10,000. This is the power that each vessel developed at full speed, which in the case of the "Delaware" was 21½ knots. The "Oregon's" speed was somewhat less than 17 knots. But on the long cruises each of these vessels have steamed at a comparatively low rate, largely for reasons of economy. The "Delaware" averaged a little less than 13 knots, while the average speed of the "Oregon" was about 11 knots.

The wonderful development in naval design within the last thirteen years is shown nowhere to quite so great an extent as when the batteries of the ships of the two periods are compared. The "Delaware" carries ten monster 12-inch guns. The "Oregon" carries four 13-inch guns. The "Delaware's" guns shoot and hit the target at from 10,000 to 12,000 yards (hits have been registered at 14,000 yards). The "Oregon's" guns could not be relied upon to do effective firing at ranges greater than 5000 yards. The guns of the "Delaware" can usually be fired at the rate of two shots a minute. On the "Oregon," during the Spanish War, we were doing well if we fired each of her four guns at the rate of a shot in 2 2/3 minutes. This means that, so far as the guns are concerned, the modern battleship fires 12½ times as many shells as the "Oregon" did, and hits with them at ranges from two to three times as great as those ranges that were effective only thirteen years ago.

With it all, the battleship of these days is not by any means so expensive in proportion to its power as were the battleships of the days of the "Oregon." On the cruise that the "Delaware" recently finished, the cost of coal per knot run was less than 70 per cent. of what it cost to drive the "Oregon" on her famous trip. On the "Delaware," thanks to improvements in operating methods and in design of machinery, they made over 13 miles per gallon of oil. On the "Oregon" the oil consumption was less than on any other ship of her time, but they only made five miles for each gallon of oil. The "Delaware's" cost for oil was less than 30 per cent. of that for the "Oregon." When they doubled the size of the "Oregon" in building the "Delaware," they made no corresponding increase in the cost of the ship to the people. The "Oregon" cost, including her armor, armament and equipage, over \$6,500,000. The "Delaware's" gross cost was less than \$7,800,000. The increase was about 18 per cent. The cost per ton was \$639.10 in the case of the "Oregon," and \$388.22 for the "Delaware."

The expenditures for the Navy for supplies are now made along the lines pursued by the great commercial concerns. The

average cost of a ton of coal to-day is much less than it was in the days of 1898. There have been changes introduced on naval ships, such as water-tube boilers, forced lubrication and superheated steam, that have radically improved the designs of the machinery of our ships. The new ships have comparatively large machine shops, which render them to a great extent self-sustaining and independent of navy yard repairs.

One of the chief causes of great expenditures in the Navy is the excessive number of navy yards on the Atlantic Coast and Gulf of Mexico. We have on the Atlantic Coast nine navy yards, where money has been expended lavishly in some instances, which would not have been the case if the strategic and economic point of view only had been considered.

Last year, as a beginning, the Secretary of the Navy recommended to Congress that the yards at New Orleans, Pensacola, Port Royal, New London, Sackett's Harbor, San Juan, Culebra and Cavite be abolished, which would have brought about a saving, irrespective of the price which the Government might have obtained for these properties, of an annual maintenance expense of \$1,600,000. Not a single navy yard was abolished by Congress.

Standing of the United States Navy

ON DECEMBER 31, 1915, WHEN COMPARED WITH THE NAVIES OF OTHER COUNTRIES, WILL BE AS FOLLOWS, IN CASE OF THE CONSTRUCTION OF TWO BATTLESHIPS A YEAR.

Capital ships, which include dreadnoughts and battle cruisers:

First place, England	52
Second place, Germany	29
Third place, Japan	21
Fourth place, United States	20
Fifth place, France	19

Should we fail to authorize two battleships this year but authorize them every year hereafter, the United States will drop to fifth place, as per the following table:

First place, England	52
Second place, Germany	29
Third place, Japan	21
Fourth place, France	19
Fifth place, United States	18

Battleships are cheaper than battles.

Battleships stimulate arbitration.

A strong navy is the cheapest insurance.

The "Monroe doctrine" is international law only while backed by the fleet.

The "open door" would be shut in the face of a nation without a navy.

An unprotected canal would be a short cut from the Orient to Washington.

A protected canal would be a short cut from Washington to the Orient.

A war with a strong European power would cost each day as much as the navy now costs in five years.

Twelve-inch guns speak louder than Hague arbitrators.

The sea is a highway for a strong navy—a closed path to a weak one.

Invasion of a country over-seas cannot be effected in the face of a strong fleet.

France lost India because her seamen could not defeat the British seamen.

Cornwallis surrendered because De Grasse was in the Chesapeake while Howe was elsewhere.

Spain lost Cuba and the Philippines as soon as Cervera and Montojo were overcome by Sampson and Dewey.

Two battleships a year will keep the United States superior; less will render her inferior to Japan.

Does the United States wish to take the leavings of Japan, Russia, England, Germany and France in the Orient?

Does the United States wish Brazil to become a European colony?

Does the United States wish Mexico to be orientalized?

Does the United States wish to lose Hawaii and the Philippines?

Does the United States wish the Caribbean to be dotted with fortified foreign coaling stations?

Does the United States wish to be negligible as a naval power at the time the \$375,000,000 Panama Canal is opened?

Does not the United States wish to be as powerful as it is rich?

Are we ready to arbitrate if some foreign power should seize Florida or California?

How shall we arbitrate if the other party refuses?

INTERIOR DEPARTMENT.

Work of the General Land Office.

During the past four years the greatest attention has been given to the amelioration of conditions in the public land States. Every effort has been made to promote *bona fide* settlement and actual development of the public domain, and to relieve the homesteader and other public land claimants from irksome and unnecessary burdens. At the same time it has been the policy of the General Land Office also to check speculation in public lands, and the utmost vigilance has been maintained to prevent the unlawful acquirement of the public domain either by corporations or individuals.

On the recommendation of the Commissioner of the General Land Office and the Secretary of the Interior, legislation was enacted during the years 1910 and 1911 granting extension of time for the establishment of residence to homesteaders in the States of North Dakota, South Dakota, Idaho, Minnesota, Montana, Nebraska, Colorado, Wyoming, Oklahoma, New Mexico, Utah, Arizona, Oregon and Washington, because of unusual climatic conditions and other circumstances that could not be met under the general laws relating to the public domain. This remedial legislation has relieved homesteaders in the semi-arid regions from great hardships that had threatened them because of drought and other unforeseen conditions. There was also enacted a law authorizing homesteaders who had in good faith taken up lands but had subsequently lost the same through no fault of their own, to again exercise their rights under the homestead and desert land laws. Under the general homestead and desert land laws this could not be done. This law has been very beneficial to the honest public land claimant who, through unforeseen circumstances or dire need, was compelled to abandon his land after he had taken it up. The act at the same time provides that this privilege is not to be exercised when it is shown that the person seeking relief has been guilty of fraud in connection with his first claim, so that while the honest homesteader is afforded an additional opportunity to acquire a home, at the same time the speculator is estopped from availing himself of the privilege of this new law.

In 1909, what is known as the Enlarged Homestead Act was passed by the Republican Congress. This act affects the States of Colorado, Montana, Nevada, Oregon, Utah, Washington, Wyoming, Arizona and New Mexico. In 1910 the provisions of the act were extended to the State of Idaho also. This act provides that a maximum homestead of 320 acres may be made on non-mineral, non-timbered, non-irrigable public lands in the States named, by homestead entrymen. The general homestead law fixes the maximum at 160 acres. It is further provided in the new act that homesteaders who have already taken up in those

States the ordinary 160 acres homestead may take an additional 160 acres adjoining, without the necessity of additional residence and cultivation of the area added, as the residence and cultivation on the original 160-acre homestead is held sufficient for the purposes of the act. As it is apparent, this act will afford material assistance to the public land claimants in the States concerned by enabling them to acquire a larger area for dry farming, the maintenance of their stock, and for increased cultivation. In the regulations issued under this act, it is said:

"The term 'non-irrigable lands,' as used in this act, is construed to mean land which, as a rule, lacks sufficient rainfall to produce agricultural crops without the necessity of resorting to unusual methods of cultivation such as the system commonly known as 'dry farming,' and for which there is no known source of water supply from which such land may be successfully irrigated at a reasonable cost."

The total area so far designated under this act is 190,509,572 acres. This enormous area is now available to the homesteaders as provided in this act, and will prove a great boon to them by removing the hardships heretofore resulting in those States by application of the provisions of the general homestead law.

The General Land Office has been specially active during the past four years in the investigation of fraudulent irrigation companies. The investigations by the field force of the General Land Office have brought to light a large number of such concerns, and they have been thoroughly investigated and vigorously prosecuted, a number of the main conspirators having been convicted. The general procedure of concerns of this kind is to spread very attractive literature concerning their projects throughout the country, and then to sell worthless stock to their innocent dupes. So vigorous has been the attitude of the General Land Office in matters of this kind that those of the conspirators who have been fortunate enough to escape the punishment in the courts have gone out of business, and the innocent public has thus been relieved of this great menace.

During the year 1910 immense forest fires swept over a great part of the forests in the Northwest, and resulted in great hardship to the public land settlers. Investigations were promptly made by the General Land Office, with a view to fully placing the extent of the damage done and the suffering occasioned public land claimants before the Department. Legislation was promptly recommended, and is now pending before Congress, for the general relief of the communities affected.

The energies of the General Land Office are being constantly bent to bringing up arrearages of work, and to-day, for the first time in the history of the General Land Office, it can be said that the work of that office is current.

During the fiscal years 1909, 1910 and 1911, 3,897,082 acres of land formerly included in forest reserves were restored to the public domain, and are now open to settlement under the public land laws.

During the past four years approximately 6,814,443 acres were restored to the public domain. On this total acreage restored about 2,382,880 acres represent the area of fraudulent entries cancelled on special agents' reports; about 4,345,665 acres were restored to open range on abatement of unlawful inclosures, and about 85,897 acres were restored through suits to cancel patents fraudulently acquired, brought by the Department of Justice on the recommendation of the General Land Office based on special agents' reports.

During the same period there were turned into the Treasury, as the result of work of special agents of the General Land Office, \$1,163,352. Of this total amount collected and turned into the Treasury, about \$420,723 was accepted as settlement for timber trespasses; about \$465,723 was recovered by civil and criminal actions brought through the Department of Justice, based on investigations by the General Land Office in cases of timber trespasses and fines imposed and paid in cases of conspiracy, perjury, subornation of perjury and unlawful inclosures of the public lands; \$192,000 was accepted by the Attorney-General and the Secretary of the Interior as compromise in a coal trespass

case investigated by special agents of the General Land Office, and \$85,123 in compromise of suits to cancel patents.

During the past three fiscal years, and up to March 30th of this year, 83 suits were recommended to set aside grants of rights of way over the public domain for reservoirs, canals, ditches, etc., on the grounds of misuse, non-construction or abatement; 968 civil suits were won, involving timber trespasses, the setting aside of patents to public lands unlawfully obtained, and the removal of unlawful inclosures on the public domain. During the same period the following convictions were obtained, based on special agents' reports: Timber trespasses, 133; conspiracies, 118; perjury, 18; subornation of perjury, 5; unlawful inclosures, 132; forgery, 16; embezzlement, 13; intimidation of public land settlers, 25; using the mails to defraud, 4; and disobedience of subpoena, 1, making a total of 465 convictions secured, in 112 of which prison sentences were imposed, the rest being disposed of by fines.

The statement has been made that the public land laws as administered by the General Land Office and the Department of the Interior are not as favorable to the homesteaders as are the laws of the Dominion of Canada. It is also said that because of the greater attractions held forth by the Canadian Government, thousands of American citizens who would make desirable homestead settlers in the United States have gone to the Dominion of Canada and there made their homes. In an official publication issued by direction of the Minister of the Interior of the Canadian Government in the year 1911, and entitled "Immigration Facts and Figures," it is stated that a commission of \$3 on a man, \$2 on a woman and \$1 on a child is paid to certain sub-agents on *bona fide* settlers induced by them to settle in western Canada. Notwithstanding the fact that the Canadian Government has agents in the United States who receive a bonus for every man, woman and child induced to leave the United States and settle upon Canadian lands, it will be seen on page 18 of the publication referred to that from and including the fiscal year 1904-1905 to the fiscal year 1910-1911, 121,451 Americans "arrived" in Canada, on only 3.98 per cent. of which, or 2965 persons, bonuses were paid. When it is understood that the 2965 persons concerned are made up not only of the men who settle on Canadian lands, but also of the women and children who accompany them, it becomes clear that the statements so frequently made of the enormous number of persons leaving the United States to take up Canadian lands has been very greatly exaggerated. Notwithstanding the fact that most of the desirable lands in the United States already have been appropriated, and the further fact that the Canadian Government maintains agents who are paid a bonus for every person induced to settle on Canadian lands, it appears that only 2965 persons have been persuaded to leave the United States for this purpose in seven years. This in itself is an answer to the criticism made that the United States Government is discouraging rather than encouraging citizens to take up the remaining public lands available to them. As far as the policy of the General Land Office is concerned, the contrary indeed is the case, as every inducement that is consistent with the laws by which the General Land Office is governed is held out to the public land claimant, and especially to the *bona fide* homesteader. A comparison between the provisions of the homestead laws in the United States and the homestead laws in the Dominion of Canada will show that in many respects the American land laws are more lenient to the homesteader than are the Canadian land laws, with the possible exception of the residence requirement.

The total cash receipts from the sales of public and Indian lands, together with miscellaneous fees, for the past three and one-half years, were about \$39,559,562. The estimated aggregate expenditure and liabilities of the public land service, including expenses of the district land offices, were for the same period \$10,694,490. This gives a surplus in the United States Treasury of \$28,865,072.

The total area of land originally entered during the last three and one-half years is approximately 73,742,421 acres, and the

total area patented is 41,943,134 acres. For the fiscal years 1909, 1910 and 1911, 19,240,374 acres were patented under the homestead law. The total acreage patented during the fiscal year 1911 was 12,272,495 acres, an increase of 1,289,345 acres as compared with the fiscal year 1910. The number of patents issued during the fiscal year ending June 30, 1911, were 72,189, as against 72,080 for 1910. The acreage patented under the homestead law in 1911 showed a decrease of 2,102,912 acres when compared with the fiscal year 1910, but the total acreage of lands of all kinds patented during the fiscal year 1911, as compared with the fiscal year 1910 shows an increase of 1,289,345 acres (see page 34, Commissioner's Annual Report, 1910, also page 4.) This is accounted for by the fact that the most desirable homestead lands have already been taken up and that hereafter the greater percentage of the lands patented will necessarily be taken under other than the homestead law.

The contract system of surveying the public domain was dispensed with in the year 1910, and what is known as the direct system has taken its place. Under the old or contract system, contracts for the survey of the public domain were let out to surveyors not in the Government service. Experience demonstrated the fact that this system resulted in inaccuracy and vexatious delays, and to overcome these objections the direct system was inaugurated. Under this system a regular corps of salaried surveyors is maintained by the Government under the immediate supervision of the Commissioner of the General Land Office. While the present organization has only recently entered on its work, it has already been clearly shown to be a great improvement over the old system. The statistics of the General Land Office show an increase of 25 per cent. in the work accomplished in the period of a fiscal year under the new system over the old system, and furthermore, a saving of \$5 a mile on the expense of the survey, or a saving in the neighborhood of \$150,000 per annum. In addition, there is a saving of from one to two years in time in the final approval of the surveys. That the new system of surveys has been a distinct success is further established by the enthusiastic approval it has received throughout the Western States since its inauguration.

Closer scrutiny is being paid to applications under the Carey Act. Not only is an examination made of the land sought to be segregated, but the question of sufficiency and practicability of the proposed scheme is looked into. In this way the Western settlers under Carey Act projects are given the fullest protection, and the project must bear the stamp of the Government's approval before it is allowed to go forward. Every care is being taken that no mineral lands are lost to the United States under school lands, railroad or other grants providing for the acquisition of agricultural lands only. The amount of lands approved under the Carey Act during this administration is approximately 2,239,531 acres.

The department, with a view to protecting the public against exorbitant prices and to insure proper development, has recommended to Congress the passage of a liberal but carefully guarded leasing law for the development of its mineral resources, and especially of its coal lands. In the measure proposed by the department provision is made for the reservation of a sufficient amount of coal lands to provide for the future needs of the Navy and the mining of this coal by the Government for this purpose.

Work in Behalf of Conditions in Alaska.

The department has also recommended the construction by the Government of a central trunk line railroad from tidewater to the Tanana and the Yukon Rivers. A request for more liberal appropriations has also been made with a view to aiding navigation and for the construction of roads and trails, and finally, the adoption of a form of territorial government better adapted to Alaska's remote situation and its peculiar local conditions. The investigation of coal claims in Alaska is proceeding rapidly. A decision has been rendered in the so-called Cunningham coal cases, holding the entries for cancellation. Hearing has been

had in one other group of coal claims, and examination made on the ground in a large majority of all the other coal claims to ascertain whether or not the law had been complied with. The total number of coal locations in Alaska is 1125; the number of applications for patent, 521; the number of notices of charges served, 172; the number of answers to charges filed, 125; the number of expiration notices served, 566; the number of answers to expiration notices filed, 90; and the number of entries yet to be investigated out of the total of 1125 is only 262. Up to July, 1911, indictments returned in Alaska criminal prosecutions, affecting coal lands, covered 641 out of the total of 1125 coal claims. It should be clearly understood that not one single acre of coal lands in Alaska has been patented to anybody. The timber regulations heretofore in force, with reference to Alaska, have been recalled and new regulations issued in place thereof. The improvements in the new regulations over the old are as follows: (a) The special agents of the General Land Office are, under these new regulations, authorized to issue a written permit to applicants who desire to cut timber, whereupon the applicant may immediately proceed in accordance with the regulations to cut and remove the same; while under the old practice the timber could not be cut until an investigation had been made by the agent. The main difference is that the investigation under the new practice is made subsequent and not prior to the cutting. In this way, the man in need of timber in Alaska for domestic use is immediately provided for. (b) Under the new practice, the applicant is allowed one year after the date of the permit in which to cut and remove the timber and another year within which to consume it; while under the old practice timber had to be cut and consumed within a year. This amendment is helpful to settlers in Alaska, in that it allows an additional year in which the green timber may become seasoned and more suitable for use. (c) The applicant has not the exclusive right to cut timber within the area described for permit where the area is more than 40 acres. This provision was not in the old regulations. Its purpose is to keep a number of persons from combining to control the cutting of a large area of timber. (d) The applications made by persons desiring to cut timber under the new practice may now be approved on corroboration by two witnesses, while under the old practice it was necessary that it should be executed before a notary public. As distances are great in Alaska and notaries public few, this provision will result in great relief to Alaskan settlers in the elimination of expense and time in obtaining the necessary timber for domestic uses. (e) In case the value of the timber to be cut is less than \$50 only the actual value need be deposited, while under the old rules a deposit of \$50 was required on each application regardless of the value. (f) The amount of timber that may be taken free of charge for the use of the applicant himself under the new rules is, the maximum amount, 30,000 feet B. M., or 60 cords, which may be taken interchangeably, in which case one cord is to be considered the equivalent of 500 feet B. M. Under the old rules the applicant might cut not to exceed \$50 stumpage value for free use in one year. The new provision makes the amount of timber that may be cut uniform irrespective of stumpage value, and this is a material assistance to the Alaska settlers because of the difference in stumpage values in different parts of Alaska.

DEPARTMENT OF AGRICULTURE.

It is the aim of the Department of Agriculture to help our farmers in all sections of the country, and to use all endeavors to help the tiller of the soil toward greater efficiency and more economic production; to make the American acre more potent in growing crops. The Congress during the last fifteen years has increased nine-fold the amount of money invested in agricultural research and demonstration, to give the American farmers help in their operations on the farm, to feed our people well and

cheaply, and enable them to compete with the outside world. It has provided for over two thousand scientists, specialists in their respective lines, who are in touch with our farmers in all sections of the country, gathering information and preparing it for issue in departmental publications, of which nearly twenty-eight million pieces were given out in 1911 to go into our country homes, dealing directly with what is uppermost in the minds of our growers of plants and animals at the time of publication.

Science Applied to Development of Agriculture.

The education of specialists in applied science to meet the demand for research under the Federal Government and under State institutions has become a prominent feature of departmental work. Graduates of our agricultural and other colleges are drafted into the Department of Agriculture and prepared for scientific research along the lines demanded by the producers of our country under all our varied conditions. Within the last eleven years nearly sixteen hundred young men have had post-graduate instruction in the sciences of agriculture. The Department of Agriculture and the State experiment stations are actively co-operating with regard to unsolved problems that affect the farmer throughout our States and Territories and in the islands of the sea that have lately come into our possession.

New markets for our surplus production are being sought in foreign countries, and scientific inquiry is being made into the preparation of our exports for foreign markets. Uncertainty with regard to the magnitude of our crops at home is being removed by careful statistical inquiry, to the end that more accurate knowledge with regard to production may mitigate the evils of speculation. Inquiry is also being made into the productions of competing countries, in order that the American farmer may know what he has to meet in foreign markets.

New Products for American Farms.

Strenuous efforts are being made to encourage the home production of articles we have been importing from foreign countries. During the last fourteen years there has been an increase in the production of sugar from beets which makes the product of 1910, amounting to 510,000 tons, over twelve times that of 1896 and its value about thirteen times. Fifteen years ago we produced only one-fourth of the rice consumed in the United States. The fostering work of the Federal Government has enabled the rice growers to produce more than the equivalent of our home consumption and foreign markets are being sought for the surplus. There was an increase in the production of rice from 97,000,000 pounds in 1896 to an average of 868,000,000 pounds during the last four years.

Scientific research by the Bureau of Soils demonstrates the fact that we can produce at home the fine tobaccos for which we have been paying over twenty million dollars a year to foreign countries. Our explorers have searched foreign lands for grains, legumes, fiber plants, teas, etc., for introduction into sections of the United States suitable for their production. The producing area for grains has been extended westward into the dry regions of our country through the introduction of plants that are at home where the rainfall is light. Nearly fifty millions of bushels of wheat are being grown in regions that have heretofore been unproductive.

Eradication of Diseases of Farm Animals and Products.

The Federal Government is studying the diseases of domestic animals with a view to their complete eradication. Our animals and their products go to foreign countries with bills of healthfulness. The American meats are the most wholesome in the world, as the world now knows. An imported disease of domestic animals was promptly stamped out within a year at an expenditure of \$300,000, to prevent it from spreading throughout the country among our herds and flocks. Rigid inspection

against foreign countries having animal diseases is maintained at our ports of entry, in order to protect the health of our domestic animals.

Within the last fifteen years the Government has become thoroughly equipped to deal with plant diseases. The loss of half a million dollars annually was stopped by pathological examination of our sea-island cottons. New varieties of fruits, cereals, cottons, etc., are being created by hybridizing to meet the demands of producers of these crops in the North and in the South.

Our forests have been mostly destroyed and our mountains, the natural reservoirs for water, have been rendered incapable of retaining moisture. Efforts are being made to reforest the country, to prevent fires, to regulate grazing in our forests, and to study lumbering and forest products.

The Federal Government is making inquiry into road material and a beginning has been made in the education of young men toward road building. A laboratory has been established in the Department of Agriculture for the study of materials with which to construct roads; and rocks, gravels, clays, tiling, cement, concrete pavements, stone, brick, wood and asphaltum are being studied.

The Central American boll weevil, now the greatest menace to the cotton crop of the United States, is being actively studied as it increases its range, and means of control have been devised which make the growth of cotton nearly as profitable as ever. The insect enemies of other great staple crops are being investigated throughout the country, and the gypsy and brown-tail moths, which are threatening the forest areas of New England, are being checked and brought into measureable control by the agency of the Federal Government in co-operation with State authorities. The losses occasioned by insect pests in general amount to hundreds of millions annually, and much of this loss may gradually be prevented by the kind of work done by the Department of Agriculture.

The practicability of growing tea in the United States is being demonstrated, and extensive experimentation is being made in the production of silk.

The atmosphere in its relations to agriculture and commerce is being carefully studied, and trained meteorologists for the first time in our history are being detailed from the Department of Agriculture to give lectures, in institutions of learning, in order that we may have scholars in the land along this line of inquiry, to the end that the farmer and the mariner may have all the protection that intelligent forecasting can give them.

The Meat Inspection and Pure Food Laws.

On June 30, 1906, the *Meat Inspection Amendment* became a law. Under the provisions of this amendment the Federal Government guarantees to the people of the United States that the meat shipped in interstate commerce is derived from animals which are free from disease at the time of slaughter and that meat food products from these animals are prepared in clean packing houses, under sanitary conditions, and without the addition of any injurious or deleterious drugs, chemicals or preservatives. The United States now has the most stringent and the best enforced meat inspection law of any country in the world, and it is a great protection to the health and lives of the people. Nearly 3300 employes are directly engaged each working day in the year in the enforcement of the law.

In the same year was enacted the *Pure Food Law*. This law covers all foods, with the exception of meats, including beverages, and also drugs which enter interstate or foreign commerce. By its terms, articles of food or drink must not contain any injurious or deleterious drug, chemical or preservative, and the label upon each package of food, drugs or drink must state the exact fact, and must not be false or misleading in any particular. While this law does not cover foods, beverages and drugs which are produced and consumed entirely within the limits of one State, yet its enactment has incited the legislatures of the different States to enact laws covering domestic products of a like nature. These laws very

generally follow the national acts as to form and detail, the only difference being that one affects interstate and foreign commerce, while the other affects the internal commerce of the State. Inspectors are continually traveling throughout the United States to discover whether the terms of the law are being observed, and they have found, upon the part of manufacturers and dealers, a very general compliance with the law. When violations of the law are observed, they are at once prosecuted by the Department of Justice and the guilty parties are punished.

The health of our people is being safeguarded by inquiry into importations of food from foreign countries that contain substances deleterious to health. The United States is no longer the dumping ground for food stuffs that are forbidden sale in the countries where they originate.

An aim of the department is to make the American independent with regard to everything that can be produced in our latitudes. Corps of scientists have been placed in each of the new island groups that have lately come under our jurisdiction for the purpose of helping them to produce what cannot be grown in the continental United States.

The Department of Agriculture is furnishing information regarding the requirements and possibilities of irrigation, both in the arid regions of the United States and as an aid to agriculture in the humid East. This inquiry determines the amount of water needed to give the best results.

DEPARTMENT OF COMMERCE AND LABOR.

This department is only nine years old, and was organized in response to the popular demand for greater governmental assistance in the solution of problems and regulation of interests which concern all the people, and with which the individual is unable to cope. This trend to greater governmental activity found expression particularly in the creation of the Department of Agriculture, and is similarly found in some of the older departments. Advancing beyond the mere sphere of regulation, government has become a part of the creative force. This is true of the State Department, in which the Consular Service now constitutes an active agency for the promotion of foreign commerce. It is true of the War Department, which is engaged in the government of colonies, the building of the Panama Canal, and the improvement of river navigation. It is true of the Interior Department, in which large projects for reclamation and irrigation are successfully carried on.

The Department of Commerce and Labor was, therefore, organized to "foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fishing industries, the labor interests, and the transportation facilities of the United States." Around this nucleus were assembled a number of the older bureaus more or less directly associated with the promotion of commerce, by transfer from other departments. These, together with the newer bureaus created, constitute the department in its present form.

Each of the thirteen bureaus which compose the department has a chief, by whom, under the supervision of the Secretary, its affairs are administered. The entire force of the department numbers about 10,413, of whom 1949 are stationed in Washington, and the rest are located at different stations throughout the country or are engaged in the field or at sea. While the activities of this department cover a very wide range, the appropriation for the fiscal year ending June 30, 1911, was only \$15,775,940.58, which is only a trifling increase over the appropriations of earlier years. The collections turned into the Treasury by the department during the same year were \$3,691,256.06, so that the net appropriation was only \$10,084,684.52. It is estimated that of these appropriations a sum in excess of \$400,000 will be returned to the Treasury unused.

Perhaps the bureaus most characteristic of the department's purpose are the Bureau of Manufactures and the Bureau of Labor, with which the other bureaus are more or less closely affiliated.

Bureau of Manufactures.

This bureau is actively fostering, promoting and developing the various manufacturing industries of the United States, and markets for the same at home and abroad, domestic and foreign, by gathering, compiling, publishing and supplying all available and useful information concerning such industries and such markets, and by such other methods and means as may be prescribed by the Secretary or provided by law. The consular officers, under the direction of the Secretary of State, gather and compile useful and material information and statistics for use and publication by this bureau.

It constitutes a real foundation for our commercial development at home and abroad. So far it has not been able to do more than demonstrate its possibilities, but, in spite of the small appropriations, so much has been done. The growing interest in its activities is demonstrated by a constant increase in correspondence and inquiries from commercial and industrial bodies, and by a steady increase in the demand for the bureau's reports. In every respect the relation between this governmental agency and the general commerce and industries of the country is becoming more and more close. A persuasive evidence of this is to be found in the organization of the Chamber of Commerce of the United States within the last few months. The response to an invitation to the commercial bodies of this country to meet for the purpose of considering this question was pronounced and enthusiastic, and steps taken for the organization were successful and participated in by many representative men. It is safe to call the undertaking a success, and to accept the movement as a long step toward a closer co-operation between the Government and commercial and industrial forces for the consideration of all questions of domestic and foreign commerce.

Bureau of Statistics.

This bureau is gathering and publishing statistics of our foreign commerce. Its system has been so perfected that its publications are given to the public with great promptness, and the information is of such general interest that it usually reaches the public through the press in advance of the regular publication. If this bureau is consolidated with the Bureau of Manufactures, in obedience to recommendations which have been made by commissions to investigate the propriety of such a consolidation, and which have been approved by several Secretaries of the department and also by the President of the United States, the new bureau, named the Bureau of Foreign and Domestic Commerce, will, under this appropriate title, embrace all the authority and functions which properly belong to a development of this branch of the Government.

Bureau of Labor.

This bureau is doing excellent work in acquiring and diffusing among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word, and especially upon its relation to capital, the hours of labor, the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity. Its activities are measured only by the amount of the appropriation. Its latest reports embrace inquiries into the conditions of employment in the iron and steel industry, the employment of women and girls in the larger cities, the investigation into industrial diseases in various industries, and reports on the labor laws of the principal industrial countries of the world. The bureau's reports cover many other fields, and are now in shape for distribution upon demand. Still other subjects are covered in the form of bulletins and larger publications.

Under the act providing for compensation for injuries to certain employes of the United States, 2095 claims were received during the fiscal year of 1911. The act is being administered to the entire satisfaction of all concerned, and it has been strongly recommended that the provisions of the act be extended to enlarge

the class of employes to be benefited by its provisions. In addition, the chief of this bureau, in conjunction with Judge Knapp, is often engaged in adjusting differences between common carriers and their employes. During the last several years there have scarcely been three consecutive months during which they have not been engaged in work of this kind, and their efforts have usually been crowned with success.

Children's Bureau.

This bureau has just been created, with the authority to investigate and report upon all matters pertaining to the welfare of children and child life among all classes of our people, and especially investigate the questions of infant mortality, the birth rate, orphanage, juvenile courts, desertion, dangerous occupations, accidents and diseases of children, employment, legislation affecting children in the several States and Territories.

Miss Julia C. Lathrop, of Chicago, has been appointed as chief.

Bureau of Corporations.

The work of this bureau is well known. It is actively investigating the organization, conduct and management of the business of any corporations; gathering information and data to enable the President to make recommendations to Congress for legislation for the regulation of commerce.

The results of the work of this bureau have necessarily not been limited to the immediate purpose described in the law. Obviously, the information which has, through its publication, been brought home to the general public has had a strong influence to shape public opinion upon the subjects in question. Among the more important investigations and reports made and issued during the last year are those pertaining to the lumber industry, transportation by water, steel industry, state taxation of corporations, and the International Harvester Company.

Bureau of Standards.

The extent of this bureau's work is limited only by the appropriation. Length, mass, volume, temperature, quantity of heat, light, electrical quantities, and properties of materials have constituted the chief subjects of its investigations. Work done for private parties is paid for at fixed prices. In addition, extensive work is done for other departments of the Government, and, if charged for at usual rates, would bring in a substantial sum. This Bureau establishes standards, sometimes for the use and guidance of private parties, and at other times to enable state officials to enforce such standards. In the latter case it furnishes a happy illustration of successful co-operation between federal and state authority. Regular meetings of representatives of state governments are held in Washington each year for the purpose of conference. It may be confidently said that by this means the enforcement of state laws for the regulation and observance of established standards has been materially promoted. One of the beneficial results of these conferences is the more common recognition of the fact that the integrity of weights and measures is just as important as the integrity of the dollar. Just as much is true of the integrity of the articles and wares that are sold. A full dollar ought to bring correct weight and measure and unadulterated goods.

Bureau of Fisheries.

The work of the bureau may be illustrated by the statement that during the last year the fish and fish egg output totaled considerably more than 3,500,000,000—that is, 558,000,000 eggs, more than 3,000,000 fry, and 14,800,000 fish of fingerling, yearling, or adult size. It operates four steamers and one sea-going schooner, and has under its control 37 hatcheries and several stations for scientific experiment and investigation. Since the

lease of the seal herds has been discontinued, and the Government has taken charge, the Government's income from this source has more than doubled, resulting in an increase over previous years of some \$250,000, with a smaller number of male seals killed. Since the ratification of the treaty against pelagic sealing, it may be assumed that within a few years seal herds will rapidly grow, and the share of the United States will show a large increase even after the stipulated amounts have been paid participating nations.

Bureau of the Census.

This bureau, created primarily as a means of securing the decennial enumeration of inhabitants required by the Constitution on which to base representation and direct taxes, now collects detailed statistics relating to population, agriculture, manufactures, mines and quarries, including irrigation enterprises, cattle and other animals slaughtered for food purposes, and the production of hides, turpentine and rosin.

The bureau was made a permanent establishment by the Act of March 6, 1902. By that act the bureau is charged with the collection of statistics relative to the defective, dependent and delinquent classes, to crime, pauperism and benevolence, to social statistics of cities, to public indebtedness, expenditures and taxation, to religious bodies, to water transportation and express business, to mines, quarries and minerals, to savings, mortgage, loan and similar institutions, and to the fishing industry; every fifth year after the decennial census, of statistics of manufactures under the factory system; every five years, of statistics relating to street railways, electric light and power stations, and telephone and telegraph business; annually, of statistics relating to births and deaths, and to cotton ginned. By the joint resolutions of February 9, 1905, and March 2, 1909, the bureau is charged with the collection of further cotton statistics, relating to cotton consumption, surplus, exports, and stocks of baled cotton.

Ordinarily a force of about 650 is employed, but during the taking of the decennial census of 1910 this force reached the number of 3800. Owing to the lack of a necessary appropriation of about \$500,000, it is not possible to issue publications quite within the period contemplated by law, but even so the delay will not be serious. Under the plan now adopted, a smaller number of complete compendiums will be issued, intended only for the libraries and students who may be interested in the complete set, containing all detailed information. The compendium for a given State will contain all the material in the separate bulletins for that State and all the material in the general United States bulletins, together with some additional information and text discussion. The compendium of any given State will thus be a convenient volume, containing perhaps three or four hundred pages, which will be of great practical value to the people of that State.

In spite of the larger area to be covered, the tremendous growth of our industries, and the increase in population, it is a gratifying fact that the administrative cost of the taking of the last decennial census will not be as great as it was in the corresponding census taken ten years ago. The expense of the field service will necessarily be increased, by reason of the larger force employed and the higher compensation necessarily paid.

In connection with the work the bureau has introduced a system of tabulating machines, which has not only successfully served its purpose in the Government's work, but also furnishes a good illustration of the possibilities for the employment of such machines in larger business enterprises.

It is worthy of note that the entire census was taken with practically no complaint of the conduct of those who were charged with it. Complaints of padding presented in the case of a number of cities have been investigated, and in some cases resulted in the finding of indictments and in convictions.

Bureau of Immigration and Naturalization.

The purpose of this bureau is sufficiently indicated by its title. While its entire force numbers less than 2000, it is charged with

the inspection of all persons entering this country on any part of the coast or border line. It has to deal with people representing practically all the nations of the earth, and is called upon to interpret and to enforce laws containing varying provisions for different races. Substantial progress has been made in the improvement of stations at the different ports. At Ellis Island, where the larger proportion of immigrants enter, the station has been very considerably improved, and more would have been done if the recommendations for appropriations had been adopted. In San Francisco the old station has been abandoned, and the new and improved station on Angel Island is now in use. At Galveston a new station has been completed, and will be put in use as soon as the necessary appropriation of about \$15,000 for furnishing is made. In Philadelphia the new station will be occupied within a few days. At New Orleans the new station is nearing completion. At Boston the ground has been acquired and the plans for a new station have been approved. At Charleston, S. C., the station is nearly completed. At Baltimore the acquisition of a new station is under way. At Seattle the station has been enlarged to meet the wants of the situation. Furthermore, it has been recommended to Congress to establish a station at Chicago, that being the point from which the largest distribution to the Middle West and Northwest is had. This recommendation is based upon the idea that it is wise to protect immigration bound for the interior, as far as may be, against the dangers and temptations to which immigrants are exposed by lack of acquaintance with language and other conditions in a country new to them.

With respect to the law, it may be said that every provision directed against wrongdoing has been strictly enforced. Under the contract-labor provision large penalties have been recovered, and numbers of wrongfully imported people have been rejected or deported. The white-slave law has been enforced by a co-operation of the Department of Justice and the Bureau of Immigration, with results that completely demonstrate the wisdom of the new legislation upon this subject. In all respects, where the law deals with wrongdoing, it has been relentlessly enforced. On the other hand, where the provisions of the law affect people suffering from misfortune, the effort has been so to construe it as to visit the least possible hardship upon the individual. The purpose has been to respect as far as possible the position and the feelings of those who have already become a part of our population, in order to encourage, as far as may be, their loyalty and devotion to their adopted country. An examination of the character of the immigration shows that of the very large numbers who enter our country, aggregating anywhere from eight hundred thousand to a million a year, by far the larger proportion have occupations the pursuit of which will substantially contribute to the well-being of our country. The general impression that most of the immigrants remain in the congested cities is based upon a mistake. The census investigation will show that in several States there are more foreign-born farm owners than native. In a great many other States the percentage of foreign-born farm owners to native runs anywhere from 25 to 75 per cent. Furthermore, the same investigation shows that the foreign-born farm owners bear a larger proportion to foreign-born tenants than do native farm owners to native tenants. It may be accepted, therefore, that the pioneer element is still very strongly represented in the immigration of to-day. Neither should it be overlooked that during the last year, for illustration, over 300,000 emigrants left our country.

The Division of Information is showing better and better results from year to year. Its efforts to distribute immigration are limited practically to farm labor and to domestics, about the need of which in all parts of the country there is no question. The chief of this division is now in constant communication with the labor commissioners of the several States, and has even gone to the extent of having stated meetings with them at Washington, in order that the needs of different localities and the possibility of supplying them with assistance may be made the subject of full consideration and definite plan.

The Division of Naturalization has been completely reorganized

under the new system. By a co-operation between it and the Department of Justice, naturalization may now be said to be subjected to intelligent supervision and control. Not only are the proceedings leading to the naturalization of a citizen subjected to close inspection, but even after naturalization has been granted, proceedings to set aside naturalization are frequently instituted upon a showing that misinformation or fraud entered into the case.

Coast and Geodetic Survey.

The operations of this bureau may be generally described as the "survey of the coasts of the United States and of coasts under the jurisdiction of the United States, including the survey of rivers to the head of tidewater or ship navigation; deep-sea soundings, temperature and current observations along the coast and throughout the Gulf Stream and Japan Stream flowing off the said coasts; tidal observations; the necessary resurveys; the preparation of the *Coast Pilot*; continuing researches and other work relating to physical hydrography and terrestrial magnetism and the magnetic maps of the United States and adjacent waters, and the tables of magnetic declination, dip, and intensity usually accompanying them, astronomical and gravity observations."

This bureau employs 14 steam and 3 sailing vessels, and a force of about 353 men. Its charts and reports of other investigations are furnished to the Navy and to all vessels of the merchant marine, and thus constitute the chief guide to all navigators.

Bureau of Lighthouses.

This bureau is more especially in charge of all lighthouses, light boats, buoys and other aids to navigation. It employs about 5500 men, and has under its control about 110 vessels, of which 45 are steam and 2 gasoline vessels; 64 lightships, 33 of which are propelled by steam; lighthouses numbering 775, and aids to navigation of every grade, numbering about 12,000. As to the latter particularly, constant experiments and improvements are in progress.

This bureau was reorganized in 1910, and by the elimination of a cumbersome system, and proper concentration, an annual saving of several hundred thousand dollars has been effected.

Bureau of Navigation.

The Commissioner of Navigation has general superintendence of the commercial marine and merchant seamen of the United States. He is charged with the decision of all questions relating to the issue of registers, enrollments, and licenses of vessels; has supervision of the laws relating to the measurement of vessels, and of all questions of interpretation growing out of the execution of the laws relating to these subjects, and to the collection of the tonnage tax. He is also charged with the enforcement of the wireless system, which was authorized by Congress in 1910, and which has been strengthened by amendment since then. A complete system is now in operation. During the last two years the commissioner has more especially made valuable contributions to the discussion of the question of tonnage tolls in the Panama Canal.

Steamboat-Inspection Service.

This bureau is more especially charged with the inspection of the condition and equipment of all vessels belonging to the merchant marine on our rivers and lakes or entering our ports. It is generally admitted that our inspection laws are abreast with the best systems of other countries, and with respect to the regulations made by supervising inspectors, it is safe to say that they are in advance of similar regulations of almost all other countries. During the last year, out of 314,768,885 passengers carried by water, 392 lives were lost. This includes every loss from any cause, and is perhaps the best evidence of the general condition of our maritime service.

JAMES SCHOOLCRAFT SHERMAN

James Schoolcraft Sherman, the Republican nominee for Vice-President, was born October 25, 1855, in the same ward of the city of Utica in which he now lives.

When he was two years old his father moved, with his family, to a farm two miles south of the village of New Hartford. Here they lived until 1868. In the fall of 1868 Mr. Sherman's parents purchased a house in the village of New Hartford, where they continued to live until the death of Mr. Sherman's mother, in 1896, his father having died the year previous.

Mr. Sherman lived with his parents until 1881, when he was married at East Orange, N. J., to Carrie Babcock, taking up his residence in the Seventh Ward of the city of Utica, two blocks from where he now resides.

While he lived on his father's farm he attended the district school, half a mile from home, and, when old enough to do so, he assisted in doing such work on the farm as a boy of his years would be capable of doing. After removing to the village of New Hartford he attended the public school in that town, and later attended the Utica Academy. Later he attended the Whitestown Seminary, a preparatory school situated in the village of Whitesboro, four miles distant. From this school young Sherman entered Hamilton College in the fall of 1874, and was graduated in 1878. He gained a considerable reputation as a declaimer in both school and college, carrying off the first honors in declamation at the end of his Freshman year. He also enjoyed a reputation as a debater, and was one of six chosen from his class at the conclusion of his Senior year to contest for prizes.

After leaving college Mr. Sherman began at once the study of law in the office of Beardsley, Cookinham & Burdick, at Utica, N. Y. He was admitted to practice two years later, and at once formed a partnership with Hon. H. J. Cookinham, his brother-in-law, and former Mayor John G. Gibson. He continued the practice of law in partnership with Mr. Cookinham, with various changes in the personnel of the firm, until January 1, 1907, when he withdrew as a member of the law firm.

In 1899, with other Utica business men, he organized the Utica Trust and Deposit Company, now one of the leading banks of central New York, and was chosen as its president, which position he has since occupied. The New Hartford Canning Company was organized in 1881 by his father and another gentleman, and after his father's death he became president of the company. He is also interested, in various ways, in many other local enterprises.

Mr. Sherman's first active work in politics was the year succeeding his graduation from college, when he spoke a few times in different parts of the county in advocacy of the election of Alonzo B. Cornell, Republican candidate for Governor, making his first speech in the town of his residence. During the last fifteen years Mr. Sherman has campaigned in various parts of the State, having spoken in most of the important cities and in a great many minor places, as well as in half a dozen or more other States. During various campaigns he has spoken in substantially every town in Oneida and Herkimer counties. He was chosen Mayor of Utica in 1884. The city was then, as now, normally Democratic, but he was elected by a substantial Republican majority. At the end of his term, which was for one year, he declined a unanimous renomination.

He was first named for Congress in 1886, the contest for the nomination being quite a spirited one, there being half a dozen candidates, his chief competitor being the Hon. Henry J. Coggeshall, then State Senator from that district.

Mr. Sherman was renominated each succeeding two years by acclamation until 1896, when there was a contest for the nomination, his competitors being Hon. Seth G. Heacock, of Herkimer, now State Senator, and John I. Sayles, of Rome, Oneida County. Since that time he has been nominated by acclamation each succeeding two years until the present time. He presided over the State Convention in 1895 as temporary chairman, and over the State Conventions of 1900 and 1908 as permanent chairman. He was secretary of the Oneida County Republican Committee in 1882, and for the three following years was chairman of that committee. He was a delegate to the Republican National Convention in 1892.

In 1898 Mr. Sherman was appointed by President McKinley a member of the Board of General Appraisers of the city of New York, and the nomination was confirmed by the Senate. It was his desire, at the time, to accept the appointment, but political and business friends at home, including the Chamber of Commerce and the Republican County Committee, passed resolutions and appointed a committee to wait upon him and urge him not to retire as a member of Congress, and, in conformity with the desires of his constituents, he declined the appointment.

Two years later he was tendered by the Steering Committee of the Senate the position of Secretary of the United States Senate. Realizing that the wishes of his constituents had not changed within the two years, he declined this position.

Mr. Sherman, early in his congressional career, became a prominent member of the House, and during his last few terms of Congress has been numbered among the leaders. His parliamentary ability was early recognized, and, perhaps, no other member was so frequently called to the chair to preside over the Committee of the Whole. He was one of the closest friends of Speaker Reed, as he was of Speaker Henderson, and has been, and is, of Speaker Cannon.

Mr. Sherman was a candidate for the speakership when Thomas B. Reed retired. For twelve years he was chairman of the Committee on Indian affairs, and his work at the head of that committee has received unstinted praise from all concerned in the work of the committee, without regard to party. He was also a member of the Committee on Rules and of Interstate and Foreign Commerce.

Mr. Sherman has been a regular attendant at the Dutch Reform Church in Utica since his marriage, in 1881. Prior to that time he had been attending the Presbyterian Church at New Hartford. For five years just passed he has been treasurer of his church, and for three years chairman of the Board of Trustees.

Mr. Sherman's service as Vice-President, and thus as presiding officer of the Senate, has personally endeared him to those with whom he has come in contact in official and personal life. Alert, vigorous, a keen and impartial presiding officer, he has commanded the respect of every member of that dignified body, the Senate—while his bigness of heart and kindly personal characteristics in the everyday affairs of life have given him the genuine affection of all with whom he has come in contact during, as well as prior to, his Vice-Presidential term.

I do not apologize for my position touching the protective policy. The Wilson bill was enacted into law. Some of us recalled what that bill did, or was the most natural factor in doing. It closed and bankrupted the entire industries of the country.—Ex-Speaker Cannon.

The Democrats are a party having no solidarity, uniting elements that are as unmixable as oil and water, and when they come to make a government, should they ever be elected to power, the administration would become as nerveless as a man stricken with paralysis, because the radical difference between the elements necessary to make up the party would be so great as to produce perfect stagnation in legislative provision for the emergencies which might arise. The Democratic party to-day, as organized, is nothing but organized incapacity. Neither element of the party would have a sense of responsibility strong enough to overcome its antagonism to the principles upheld by the other faction were it to come into power.—Hon. Wm. H. Taft, at Montpelier, Vt.

THE SIXTY-SECOND CONGRESS.

The Sixty-Second Congress, so far as it may be measured by the work of the two long sessions that have been held since the adjournment of the preceding Congress on March 4th, 1911, will establish a new record for lack of achievement, for the reckless subversion of legislative activity to the purposes of politics and for radical and hasty attempts to make over the machinery of government through legislative riders on appropriation bills.

The present Congress began with the extraordinary session convened at the call of President Taft on April 4, 1911, marking the restoration of the Democratic party to power in the House for the first time in sixteen years. There the Democrats, in control of merely one section of the machinery of the Government, instead of following the usual negative tactics of a minority, by devoting their energies to blocking constructive legislation proposed by the Republican Party, which still controlled the executive branch of the Government and one of the two legislative bodies, took charge of the legislative machinery and set about to formulate a policy of general legislation with a free hand.

In the Senate the Republican majority, usually ample, was cut down to such an extent that the Democrats there also were able to carry out some of their purposes by means of a voting coalition with certain of the Republicans.

To a large extent, therefore, the work of the two sessions of the present Congress may be assumed to reflect the competency or otherwise of the Democratic party to manage the affairs of the Government and to indicate what may be expected of a Democratic majority, should the complete control of the Government pass into their hands.

In the mere matter of length the two sessions have been unusual. And in the mere matter of bulkiness the "Congressional Record," the chronicle of the deliberations—if, by a stretch of verbal license, the incessant outpouring of political oratory and debate can be so designated—of the legislature is extraordinary. A series of thick volumes, estimated to contain more than 20,000,000 words uttered or professed to have been uttered during the proceedings of both Houses, stands as a monument to the most verbose Congress in history.

But the positive results achieved by the Sixty-second Congress in the form of laws placed upon the statute books are in inverse ratio to the amount of time and talk required to achieve them. The important laws enacted, which are of general interest, may be counted on the fingers of two hands. Other important measures were successfully blocked by the Democrats, and a number are still pending.

The record of the Congress is written in the following laws:

The passage of the Canadian reciprocity bill, subsequently rejected by Canada. When the Republicans of the Senate sought to repeal the act and withdraw the offer the Democrats insisted that it should remain in force, although ineffective through the failure of Canada.

The reapportionment of the House of Representatives in accordance with the last census—a measure drafted by a Republican committee during the preceding Congress.

A law requiring publicity of campaign contributions. The bill originated in the Democratic House, but was practically redrafted by the Republicans in the Senate, who made it applicable to primary elections and added other important provisions evaded by the House. The House accepted the more stringent Republican measure with obvious reluctance.

The resolution providing for the admission of Arizona and New Mexico to statehood approved after the provision for the recall of judges had been stricken out upon the insistence of President Taft as expressed in his veto message.

The establishment of a Children's Bureau in the Department of Commerce and Labor—a non-partisan measure designed to contribute to the solution of the problem of child labor.

The imposition of a prohibitive tax on the manufacture of phosphorus matches taken up in the House on Republican initiative and urged in a message by President Taft.

The three-year homestead act, reducing the time in which the settler might perfect title to land and modifying the restrictions with respect to residence, the change being necessary by reason of the less fertile character of public land remaining open to settlement. This measure, designed to encourage the settlement of farmers on lands remaining unoccupied in the West, and to discourage the exodus of Americans to Canada, was formulated by the Republicans of the Senate.

The age and service pension law, a Republican measure, carrying an increase of \$30,000,000 annually in pensions, substituted for the so-called dollar-a-day pension bill, passed by the House of Representatives, which represented an increase of \$75,000,000 and probably would have necessitated a bond issue had it become a law.

The eight-hour bill, limiting hours of labor on all government work except the Panama Canal—a non-partisan measure.

Various bills relating to wireless telegraphy, the most important of which is the administration measure for the regulation of radio-telegraphy.

A bill providing for the creation of an industrial commission for the investigation of the relations between labor and capital, a non-partisan method of ascertaining the causes and devising remedies for the labor problem, suggested by President Taft.

The Panama Canal bill, as agreed upon by the two Houses, and submitted to the President, provides: for the government of the Canal Zone by a single head, to be known as the governor of the Canal Zone, to be appointed by the President. The tolls for ships other than American vessels engaged in the coastwise trade are to be fixed by the President, but not to exceed \$1.25 per net registered ton and not to be less than 75 cents in any form of tonnage, the tolls for passengers not to exceed \$1.50. It prohibits railroad-owned steamships from operating through the Panama Canal, or elsewhere if held by the Interstate Commerce Commission to be operated on competing routes with railroads, and gives the Interstate Commerce Commission jurisdiction over joint rail and water routes through Panama Canal or otherwise, to establish physical connections between railroads and water carriers, and to establish through routes and maximum joint rates between and over rail and water routes. It also authorizes the granting of American registry to foreign-built ships if owned by Americans and admits materials for construction and repair of ships free of duty; prohibits trust-owned ships from using the Panama Canal; and remits tolls to American ships engaged in the coastwise trade.

The following important resolutions were adopted by both Houses:

A resolution proposing an amendment to the Constitution providing for the election of Senators by popular vote. The resolution was first adopted by the House in such form that it practically disfranchised the negro voter and deprived the Federal Government of any authority whatever to supervise the election of Senators. The Senate eliminated the provision nullifying the supervisory authority of the Federal Government over the elections, and the Democrats agreed to the simple resolution only after it had remained in conference for months.

A resolution giving notice of the termination of the Russian treaty of 1834. The subject was under consideration by the State Department when the House passed a resolution on

this subject, but in a form calculated to arouse the resentment and hostility of the Russian Government and aggravate instead of alleviate the difficulties of those whom it most concerned. The serious situation precipitated by the House might have led to disastrous consequences had not President Taft intervened, and upon his own initiative given notice of the intention of the United States to terminate the treaty without closing the door upon the possibility of negotiating a new one to supplant it.

A resolution, suggested by the President, to prevent the smuggling of arms and munitions of war across the Mexican border and the fomenting of rebellion from the American side.

A resolution to extend the Burton law for the preservation of Niagara Falls.

A resolution suggesting an international maritime conference to take up the questions raised by the Titanic disaster.

A resolution adopted by the Senate, upon the initiative of the Republican members of the Foreign Relations Committee, formulated the doctrine, growing out of the Magdalena Bay incident, that the United States would resent the occupation of military or naval base on the American continents by corporations under the control of a foreign government.

The Senate disposed of the Lorimer case by declaring the seat in question was vacant, and that Lorimer had not been legally elected.

The House began impeachment proceedings against Judge Archbald, of the Commerce Court, the charges having been brought to its attention after an investigation by the Department of Justice, and also investigated charges against Judge Hanford, who resigned.

There was the usual number of private bills and other measures of a non-partisan character, in addition to the 5045 private pension bills (3488 of which originated in the House), passed up to within a short time before the adjournment of the second session. But the measures cited above represent the important positive achievements of Congress during the two long sessions, which extended over many months, and indicate the part played by the Democrats in the framing of constructive legislation.

In the treatment of domestic problems and in their attitude toward questions arising in the field of foreign relations the Democrats of the Senate assumed an obstructive and partisan attitude. This was exemplified especially in the case of the general arbitration treaties with Great Britain and France and in the case of the treaties with Nicaragua and Honduras. The entire strength of the Democrats in the Senate was exerted toward amending the arbitration agreements to such an extent that they were all but valueless, and it was due to them that this great step forward in the movement toward universal peace and the substitution of arbitration for war was not taken.

Similarly the treaties negotiated with the Central American Republics, Nicaragua and Honduras, for the purpose of removing the greatest occasion for revolution and giving the United States authority to exert its influence in the direction of orderly financial administration, the effectiveness of which has been clearly demonstrated in the case of Santo Domingo, remain unratified because of Democratic opposition.

Several treaties and agreements of less importance were ratified by the Senate, among which were a copyright agreement with Hungary, an agreement relating to the North Atlantic fisheries, and a convention for the protection of industrial property.

Some of the more important measures pending on August 19th were:

A bill providing for establishment of a Department of Labor, passed in the House and favorably reported in the Senate;

A bill restricting immigration, founded upon the report of the Immigration Commission, passed by the Senate, but held up by the House;

A bill to prohibit corporations from making campaign con-

tributions and limiting the contributions of individuals, favorably reported in the Senate;

A bill revising the public printing laws and achieving economies in the government printing office, passed in the Senate, but held up in the House;

A measure for the establishment of a Parcel's Post system, which was made a part of the Post-office Appropriation bill, and is still in Conference Committee when this work goes to press.

A bill creating a legislative assembly for the Territory of Alaska;

A bill extending the authority of the Bureau of Mines to make mineral investigations;

The anti-injunction bill, hastily passed by the House in such form as to prompt the Senate committee to give extensive hearings on the question;

The contempt bill, granting jury trials in cases of indirect contempt, passed by the House;

A seamen's bill to abolish involuntary servitude on the high seas.

A resolution proposing an amendment to the Constitution, to limit those elected to or exercising the powers of the office of President of the United States to a single term of six years, favorably reported by the Senate.

A bill establishing a government for the Canal Zone, and providing for the operation and maintenance of the Panama Canal.

A bill to carry into effect the international agreement to protect fur seals by the prevention of pelagic sealing. Largely through the exertions of the Democrats in the Senate this bill was amended, in violation of the spirit of the treaty, to provide for a closed season of ten years.

The most signal failure of the Democratic House was the delay of the employers' liability and workmen's compensation bill, framed by a commission appointed for that purpose, urged by President Taft in a special message and passed by the Senate despite determined Democratic opposition. The measure was drafted only after a most painstaking investigation, and was approved not only by the Democratic, but by the Republican member of the commission and by the railroads and the great organizations of railway employes, as a step to afford relief to injured workmen and to obviate the delay in securing compensation for injuries through the courts. Southern Democrats, however, opposed the measure in the Senate on the pretext that further time was required for its consideration, and the bill was pigeonholed, for the session at least, by the Democratic committee in the House. This measure is generally regarded as the most important piece of constructive legislation undertaken by the present Congress.

The record of the Democratic party in the present Congress, meager in constructive legislation and conspicuous for opposition to important public measures, is written more particularly in the failures of the numerous "investigating committees" of the House, the purpose of which was to unearth records damaging to the Republican administration; the pop-gun tariff measures framed for the purpose of "putting the President in a hole," without consideration for the industries and the workmen they affected; and the radical legislative riders attached to appropriation bills which were to have been clubbed through the Senate under threat of bringing the Government to a standstill for lack of funds.

As outlined in these measures and the reports of some of the committees, the striking points of the Democratic policy so formulated are as follows:

The abolition of the Tariff Board and the return to the old haphazard method of framing tariff measures;

The reduction of the Navy by the refusal to authorize the construction of new battleships;

The reduction of the Army by five regiments of cavalry;

A plan to place civil service employes under a five-year tenure of office;

The abolition of the commerce court, characterized as a legislative recall of judges;

Placing sugar on the free list at a loss of \$60,000,000 in annual revenue and the sacrifice of the American sugar industry;

An excise tax on industry or earning capacity to make up the deficiency in sugar revenues modeled on the corporations tax law.

Various drastic methods of legislating the trusts out of existence of a widely divergent and conflicting character.

THE HOUSE "INVESTIGATIONS."

The history of the numerous investigations undertaken by the House with the purpose of bringing to light facts discrediting the Republican Party and the Taft Administration may be summarized as follows:

Investigation of the "steel trust," which disclosed no facts of importance that were not already in the possession of the Department of Justice and that had not been incorporated in the Government's Bill asking for the dissolution of the combination. This resulted in a variety of reports and the suggestion of drastic laws for the cure of the trust evil. Cost, \$39,000.

Investigations by the Committee on Expenditures in the Interior Department, the so-called Graham committee, the most widely advertised of which was the inquiry into the Controller Bay controversy founded upon a fake letter. This inquiry died of inanition as soon as the House investigators discovered they had been duped and no report was made. Cost, \$10,472.

Investigation of the "sugar trust," the result of which was a report that has served no purpose whatever, and is now a part of the buried archives of the Democratic House. Cost, \$11,487.

Investigation of the Post Office Department, centering mainly upon the charges made by the Lewis Publishing Company, of St. Louis, six years earlier, and subsequently discarded. Cost, \$7608.

Investigation of the "money trust," for which a total of \$50,000 has been appropriated by the House, of which \$8790 has been expended before the investigation is fairly launched. The House itself hesitated long to undertake this chase of the "money devil," and after much dissension sought to persuade the Senate to agree to a resolution conferring power on the committee to ascertain under threat of penalties and publish the financial transactions of national banks.

Investigation of the trust question by the Judiciary Committee, for which \$25,000 has been appropriated. Of this amount \$9189 has been expended. This includes the amount required for the investigation of the charges against two federal judges. The trust inquiry has not yet been undertaken.

Investigation of the so-called shipping trust by the Committee on Merchant Marine and Fisheries, for which \$25,000 has been authorized. Of this amount, \$3256 has already been expended, but the evidence brought to light by the investigation is nil.

Investigation of the taxation and business systems of the District of Columbia, for which \$15,000 was appropriated. Of this amount \$4732 has been expended.

Investigation of the so-called Wiley-McCabe controversy and the Everglades controversy by the Committee on Expenditures in the Department of Agriculture, which has already spent \$3216 without achieving any results of apparent value either to Congress or to themselves.

Other committees on expenditures in the various executive departments each undertook inquiries in the hope of attracting public attention to their members and of casting discredit upon government officials of the present and former administrations. The most typical example of these was the inquiry into the affairs of the State Department, the only tangible result of which was to cast a reflection upon the memory of the late John Hay, Secretary of State, without reason or proof.

Most of these minor committee investigations, which were begun with a flourish of trumpets and the promise of sensations, were discontinued after a few weeks, the members being glad enough apparently to permit the public to forget that they had ever been undertaken. These minor investigations cost in the neighborhood of \$5000.

In money actually expended up to the present time, therefore, the so-called "smelling" committees of the House cost the people of the United States a trifle less than \$103,000 in actual expenditures by the committees. This amount, however, represents but a small part of the actual expense to the Government. Considering the time of the members of the House devoted to this vain search for sensations and scandals, the vast amount of valueless testimony printed by the government printing office, the hire of clerks, stenographers and others not directly paid out of the sums appropriated for the investigations, the total cost to the people of the United States of the numerous probes may be safely estimated to have been in the proximity of \$500,000.

The end is not yet. The trust investigation has not been begun. The chase of the "money-devil" is not yet on. But since the apparent occasion for which these investigations were undertaken, the unearthing of campaign material, has all but passed, it is probable that the anxiety of the various committees of the House to rake the dead ashes of history in order to find something of scandal or discredit with which to conduct their fight against the Republican administration will cool and that the probing will come to an end.

At one time there were no less than twenty of these "smelling" committees of the House of Representatives at work. Reports and rumors, no matter how old, were seized upon with avidity to provide occasion for summoning government officials to come before them and testify under the imputation that they or their predecessors had been conducting the affairs of their offices improperly. Special agents were employed to go up and down the country on a still hunt for persons who considered themselves aggrieved at the hands of one or another department of the Government. Charges made years before, despite the fact that they had in most cases been carefully investigated and found without basis, were grasped eagerly and reinvestigated by the House committees in the hope that some irregularity or injustice on the part of the Administration might be shown.

Never before has an administration undergone such an extraordinary scrutiny, and never before, probably, has a scrutiny of such general proportions achieved more insignificant results. They have been permitted to drift unnoticed back into the dim region of the forgotten past by the Democrats who have undertaken them, without comment upon what they failed to achieve. It is not improbable, however, that, if more proof is required, the most compelling evidence of the integrity of the Republican Administration is the absolute failure of the orgy of Democratic investigation to bring to light anything that casts discredit upon the Republican administration of the Government. And the spectacular political diversion of hunting down the trusts has, so far, led to nothing but a variety of anti-trust bills, no more valuable than the scores of similar measures introduced in both houses before the chase began.

THE TARIFF POLICY.

The tariff policy of the Democratic Party is drafted by the Ways and Means Committee of the House, under the direction of Representative Underwood, in the various measures that were put through the House, practically without debate, and taken up in the Senate by the Democratic-Insurgent coalition, is more or less confused. It indicates differences of opinion among the Democrats themselves so marked as to raise the question as to what may be expected should that party find itself in a position to carry out its purposes unhampered.

The House began its tariff tinkering shortly after the beginning of Congress by the adoption of a so-called farmers' free

list bill. The measure would have been as disastrous, however, to the farmer as it would have been to the manufacturer had it become a law. It passed the Senate by a combination of Democratic and a few Republican votes, and was vetoed by President Taft. (For this and other tariff vetoes see document, "Pages From the Congressional Record," issued by the Republican National Committee.)

The next great political move on the part of the Democrats was the passage of a bill reducing the duties on wool and manufactures of wool—the much-discussed Schedule K. The measure was reported adversely after extensive hearings by the Finance Committee of the Senate. Democratic Senators then formed a coalition with certain Republicans and succeeded in passing a substitute bill as a compromise measure, which was sent to the President and promptly vetoed. During the second session, despite the fact that the Tariff Board had meanwhile made a most exhaustive report on the woollen industry, the same legislative performance was repeated with the idea that the President would be put doubly "in a hole."

The wool bill was vetoed a second time by the President and passed over the veto by the House, but failed to secure the necessary two-thirds in the Senate.

In the first session, the House also passed a cotton bill. When this measure reached the Senate, however, Southern Democrats representing cotton mill States, kicked their insurgent allies overboard and took the situation into their own hands—the regular Republicans looking on as spectators at the tariff farce—loading the measure down with a metal schedule, drawn by a single Senator, and unconsidered by a committee in either House, and a chemical schedule drawn by a government clerk, with the purpose of making the bill as ridiculous as possible. This farcical measure might have become a tragic one had it not been promptly vetoed by the President.

The second session was begun with the passage of a steel revision bill by the House in response to the charges of W. J. Bryan that the chairman of the Ways and Means Committee, Representative Underwood, was oversolicitous about the steel industries in his own State. This was passed by the Senate, by means of the coalition already referred to, but with an amendment repealing the Canadian reciprocity act. By agreement the same coalition, however, receded from the amendment later and sent the bill to the White House.

The bill was promptly vetoed by the President, who pointed out the disastrous effect of the haphazard revision of the schedule affecting large industries all over the United States. The House passed the bill over the veto, which was sustained, however, in the Senate, by a strict party vote.

The great tariff coup of the Democrats, however, the climax of the tariff-tinkering opera bouffé, was the free-sugar bill. It placed sugar on the free list, cut down the revenues \$60,000,000 annually and laid the sugar industry of the United States completely open to competition with the cheap labor of the tropics and of European countries with the promise of scant benefit to the consumer and great advantage to the sugar refiners. To make up for the loss of revenue the excise tax bill was framed, patterned after the Republican corporation tax bill, but with the marked difference that the excise tax is to be levied upon the earning capacity of individuals, while the corporation tax is levied upon the income from accumulated capital represented by the stock of corporations. Even the Democrats of the Senate rejected the free sugar bill and drafted a measure of their own. For it a Republican measure, reported by the Finance Committee, was substituted by the solid Republican majority with the aid of the Democratic Senators from Louisiana, and passed. This Republican measure, reducing the tariff, was the great problem for the Democrats, who promptly reversed the policy they had adopted in forming a coalition with certain Republicans to accept any measure they could get so long as it meant a reduction of tariff, and have refused up to eve of the adjournment of the present session to send it to the President.

The course pursued with respect to the pop-gun cotton bill and the chemical bill during the second session was much the same. Obviously framed not with the idea of affording relief to any one, but of serving as pawns in a political game, they are of no interest except in so far as they carried out the Democratic purpose of "putting the President in check."

As a matter of fact, the ardor of the Democrats in revising the tariff cooled perceptibly when they were confronted with the possibility of passing their measures over the Executive veto in the Senate. Fearing that there would be a reaction against their tariff tinkering if any of the measures they proposed became laws, they displayed only a perfunctory interest in attempting to override the vetoes in the Senate, the majority being ample in the House.

In contrast with this nondescript tariff policy exemplified in these measures, President Taft's steadfast adherence to the principle that it is more important to revise the methods of making the tariff than it is to improperly revise the tariff, and his insistence upon the establishment of a permanent tariff commission, stand out in bold relief.

THE "ECONOMY" PROGRAMME.

The House economy programme was begun at the outset of the Congress with the dismissal of a few old employes, and was continued until it reached a point at which the Navy was sacrificed and the forces of the regular Army reduced in order that a showing might be made. The same spirit of economy was singularly absent, however, in the case of the Sherwood pension bill, which provided for an annual increase of \$75,000,000; in the numerous investigations undertaken for the purpose of discrediting the Republican Administration, and in the case of consideration of the naval building programme by the House Democratic caucus, at which a large number of Democrats insisted that if there were to be an appropriation for battleships there must also be a "pork bar'l" bill for public buildings. At the same time President Taft's messages transmitting reports of the Economy Commission, suggesting methods of saving millions of dollars annually, were ignored, the commission itself narrowly escaping the Democratic pruning knife.

Without regard to the needs of the various executive departments for funds to carry on the Government efficiency, the House appropriation committees slashed the estimates submitted for appropriations indiscriminately. In many cases the necessary items were restored in the Senate, with the result that a compromise was reached in the adjustment of the differences between the two Houses.

Holding persistently to its purpose to force through general legislation incorporated in the appropriation bills, in justification of which the House parliamentarians dug out of the archives the obsolete Holman rule, the Democratic Party succeeded in holding up the supply measures until weeks after the close of the fiscal year. It was necessary to extend the appropriations of the last fiscal year three times by means of joint resolutions in order to prevent the machinery of government from coming to a standstill.

The methods resorted to by the Democratic majority in the House are best exemplified by the course it followed in the case of the legislative, judicial and executive appropriation bill. As sent to the President this contained provisions abolishing the Commerce Court and placing civil service employes under a seven-year tenure. The President vetoed the measure on the ground that the first was unjustified and that the second was a return to the spoils system. Carrying out their threats to revenge themselves for this executive disapproval, the House leaders immediately repassed the bill, after eliminating the seven-year tenure provision, but inserted a provision abolishing a number of important offices in the State Department and crippling it to such an extent as to impair its efficiency, with disastrous effect upon the foreign relations of the United States. In the same spirit of retaliation a prob-

vision was inserted in the Army Appropriation bill ousting Major General Leonard Wood from the office of chief of staff of the Army. This measure was also sent back with a veto message by the President.

The Democrats refused obstinately to separate the general legislation from the appropriation bills and submit it in separate measures. The most typical instance of the disastrous results of this policy was presented by the pension appropriation bill. The House insisted upon abolishing the pension agencies scattered throughout the country for the convenience of pensioners. The Senate refused. The Senate conferees on the measure offered various compromises and suggested that a separate bill abolishing the agencies would be taken up for immediate consideration. Rather than yield their position, however, the House Democrats held out until the pension appropriation was exhausted and the old soldiers, many of whom were absolutely dependent upon the money they received from the Government, were obliged to wait for it while the House Democrats played their political game to the end.

The House remained obdurate, but the Senate, rather than work further hardship to the old soldiers, consented to the abolition of the agencies on January 31, 1913.

The end of the political game, which has occupied the attention of the Democrats from the very beginning of the present Congress, was due, for the most part, only to the fact that the physical exhaustion of many of the legislators precluded their attending the session any longer, and that it became a constant efforts for the leaders to marshal their forces and maintain a quorum. Near the close of the second session the Democrats were without any more definite purpose than they had at the beginning, and seemed inclined to go on until the session merged into the following one, or until the elections were over, in the hope of embarrassing the Administration in some way or of hitting upon other promises to hold out to the electorate.

What the Congress has accomplished has been little. Its greatest achievement has been to bring into contrast the "expediency," the indefiniteness, the lack of purpose on the part of the Democrats and the directness, the consistency, and singleness of purpose of President Taft as presented in his unheeded messages and in his vetoes of unwise legislation.

I am a protectionist because our country has prospered with protection and languished without it.—Hon. B. F. Jones, in the "American Economist."

While this is a big country, it is not now, and may it never be, big enough knowingly to admit into the ranks of its citizenship any avowed disorganizer of government or any avowed scoffer at our republican institutions. But our hands are outstretched to those who come to us with worthy purpose.—Postmaster-General Cortelyou.

I believe our strong party with its great principles is only in its infancy. Our glory as a nation has but just begun. There are mighty problems yet to be solved, grave questions to be answered, complex issues to be wrought out, but I believe we can trust the Grand Old Party and its leaders to care for the future of our Nation and of our people as it has cared for them so well in the past.—Hon. James S. Sherman.

The Wilson bill was enacted into law. The proof of the pudding is in the eating. There were three million men working in the productive industries and on their products that were thrown out of employment. They, learning through their stomachs as to the effects of it, helped pull down the rocks and the mountains upon your heads. The rocks and mountains will fall upon you again, I hope, in 1912, and I know in 1914 and 1916.—Ex-Speaker Cannon.

The recall, I venture to predict, if adopted will prove a disappointment throughout. It will not serve to raise the standard of public life; it will not serve to improve the character of officials, but, on the contrary, it will make trimmers of men who accept office, if they are not that when they accept office, and it will deter men of independence and capacity, who are not seeking place, from accepting positions of trust.—Hon. Charles Nagel, Secretary of Commerce and Labor.

SPEECH
OF
JAMES SCHOOLCRAFT SHERMAN
ACCEPTING THE NOMINATION FOR THE VICE
PRESIDENCY BY THE REPUBLICAN
NATIONAL CONVENTION.

DELIVERED AT UTICA, NEW YORK, AUGUST 21, 1912.

GENTLEMEN OF THE COMMITTEE: This company appreciates the honor of this visit by your distinguished membership. You represent the forty-eight States of the Union and the eight million Republican voters in our wide domain. You bear the commission of the Convention which, representing them, met in Chicago in June. That convention declared anew our fidelity to the historic Republican Party, our purpose to carry forward the work it has so well done, and to promote further the prosperity and progress of the United States. The annals of American parties do not record the proceedings of a political gathering conducted with more openness, fairness, deliberation, sobriety and worthy purpose than that for which you speak. This assemblage will gladly concede the fact that other procedure were impossible in a body presided over by Oneida's native son, Elihu Root.

Not deceived by the clamor of those who attempted to bolster up claims without basis, by hundreds of contests resting on foundations so flimsy that, in the light of investigation, most of them melted away like snow in a furnace heat and were rejected by quite or nearly an unanimous vote, the convention adopted a platform that rings true for patriotism and Constitutional government and worthily bestowed a renomination upon our present Chief Executive.

You, gentlemen, notify me that the convention named me as the party's candidate for Vice-President. Our party has never before conferred a second nomination for that office upon any man. This distinction was not sought by me, but, unsolicited, it is the more appreciated and its value is augmented by the generous words in which you, Senator Sutherland, are pleased to announce it. I can not but recognize your message, gentlemen, as a mandate which I must obey. As a loyal Republican, a disciple of the party of Lincoln and Grant, of Harrison and McKinley, and of him for whom the ground upon which we stand, dedicated to public use, is named, Roscoe Conkling, I stand squarely upon the party platform. I approve of the admirable statement of Republican principles and achievements made in the address accepting the nomination for President by William Howard Taft. Upon that platform, and associated with President Taft, I gratefully accept the renomination as the Republican candidate for the office of Vice-President of the United States.

Fortunate are we, Republicans, in the fact that our opponents are divided into two camps, rivaling each other in their efforts to excel in disturbing the civic and economic order of the country. The new party thrusts itself forward into the vacuum left by the phantoms of other third parties which have passed into oblivion. Oblivion, too, awaits it. The Democratic Party in the Nation has many times defeated its Republican rival in August; but twice only has it done so in November. The political skies

are often confused and lowering in midsummer, but the cooling breezes of November render them clear and normal. Astronomers tell us that many shooting stars flash into vision in August, but dazzling though they be in their flight, they disappear in unknown space while the planets roll on in splendor in their regular orbits. So in the political firmament—comets may cross the canopy; they have no fixed place in the solar system. The Democratic rallying cry has always been "a tariff for revenue only," and the bitterest assaults on the policy of protection to American industry. This year sees no innovation. The Democratic candidate, Professor Wilson, is Bryan and Parker over again without the oratory of the one or the legal training of the other, but with the free-trade prejudices of both seemingly intensified. It is not unkind to discern that Professor Wilson is a pedagogue, not a statesman, and, in his mode of thought, academic rather than practical. Job appealed: "O, that mine adversary had written a book!" Professor Wilson has written several, and many utterances in them will prove both an embarrassment and a burden in this campaign. In his *History of the American People* he says (Vol. 5, page 212):

"Now came multitudes of men of the lowest class from the south of Italy and men of the meaner sort out of Hungary and Poland, men out of the ranks where there was neither skill nor energy nor any initiative of quick intelligence, and they came in numbers which increased from year to year, as if the countries of the south of Europe were disburdening themselves of the more sordid and hapless elements of their population."

And almost immediately thereafter the learned professor further says:

"The Chinese were more to be desired as workmen if not as citizens than most of the coarse crew that came crowding in every year at the Eastern ports."

Was the statement when made well founded? Is it to-day? Was it just? Was it worth while for the learned writer to give expression to such sentiments? Do my hearers to-day believe the Chinese to be more desired than the European immigrants? Do they concede the immigrants from the land of Kosciusko and Columbus to be of the "lowest class," of the "meaner sort," the "most sordid" and the "coarsest crew"? By their votes in November they must say if they believe a man who gave utterance but a few years ago to such thoughts and sentiments is now best fitted to be the chief executive of their adopted government and country.

For the first time in the memory of my oldest hearer the country witnessed a convention held in Chicago two weeks since in which there was no roll call of delegates, no ballots cast, where red bandannas were preferred to the stars and stripes, where the scent was scarlet overmuch, like the flag of anarchy, not red, white and blue, the symbol of patriotism. The unquestioned master of the situation was greeted by his satellites as an "inspired leader," and the irreverence which fell from many lips reached its climax in the closing utterances of the chairman. The "leader's" right to rule was recognized and proclaimed. Never in the history of the English tongue was greater assumption of power proclaimed. Thoughtful and patriotic citizens will inquire into the meaning of the pronouncement of that gathering that there will follow "a dangerous revolution" unless its policies are adopted. American voters of all parties will, I believe, resent any appeal to the terror of violence. Both of the opposing parties assault with equal vehemence the present tariff under which our country has so markedly prospered. They abuse the Payne-Aldrich law without stint and without reason. That tariff Act has closed no factory, has put out the fires in no furnace, has thrown no mechanic or laborer out of employment. It has opened no free soup houses for starving families deprived of the wage of the bread-earner; it has formed no bread line of jaded, disheartened seekers for employment. It has kept wide open the home markets for the produce of the farm and the factory; industrious workingmen having the highest wage ever

known have been able to build new houses; to clothe well their children; to provide for their schooling and to give them a generous measure of the comforts and luxuries of life. The landlord is not embarrassed in the collection of his rent, the grocer is receiving pay for his supplies. The church of his choice is receiving his free gifts from the prosperous citizen. Nearly ten millions of depositors in the savings banks had, last year, laid away over four thousand millions of dollars (\$4,212,583,000), while every branch of moral, social and educational betterment has received vital impulse and generous support. Wherein can the thoughtful citizen see promise of a betterment in the frantic cry for "a change"?

I have seen in no speech or literature made or issued by a member of either of the opposing parties the fact stated that of the hundreds of millions of foreign goods imported last year, fifty-one per cent. came in duty free. Have any of the rancorous critics of the Payne tariff law cited the fact that under its provisions the duties on all importations were reduced twenty-one per cent.? And yet this "revision downward" was accomplished without harm to American labor. Unbridled ambition and long deferred hope have little regard for reason and for truth. Our export trade has mounted marvelously. In the last fiscal year, in manufactures alone, it passed the billion dollar mark (\$1,021,000,000). The annual product of our manufactures surpasses that of any other nation, and besides fully supplying our own people, exceeds all competitors in the value of exports.

The Democratic majority in our House of Representatives is writing in lurid characters the extent to which our opponents are willing to go in their zealous efforts to ruin protection. The several bills reducing various schedules, passed by the House, and under the strange condition existing in the Senate, acquiesced in by that body, exhibit the crudities and destructive aims of the advocates of a tariff for revenue only. The need of a Republican President is clearly proven by the defense of American industry by President Taft in his vetoes of these recent tariff bills, from which he has saved every interest of labor and production. Had he no other title to both gratitude and support (and he has a multitude), these vetoes alone call for the support at the polls of every American citizen who toils with hand or brain, on the farm or in the factory, in the mill or in the shop or in the office, who values present blessings and desires to preserve them.

The Republican Party has never claimed to possess within its membership all the world's virtue and patriotism. We do not pretend to be better than other men of good intent who try to behave well. We concede to the followers of other party standards, be they Democratic, Progressive, Prohibition or what not, a desire to do that which shall serve the public weal. We insist that in their advocacy of many economic, financial and governmental theories they are in error, grievous error. While admitting the sincerity of their beliefs, we maintain that the principles in which we believe and the policies which we advocate are far the best to be upheld and applied for the best interests of the hundred million of American people. We insist that experience justifies our contention. With but two intervals, Republican rule has, for half a century, guided the majestic forward and upward strides of this Nation. That, we assert, is a demonstration of the capacity and the purpose and the success of the Republican party in securing for this country sane, certain and all-embracing progress.

The crime of this "new age" is frenzied speech and action; lack of thought, a spurning of deliberation and of the weighing of consequences. Fakers with projects to "get rich quick" draw gaping crowds. Mad haste is the pastime of the multitude. Automobiles race to carry their passengers to death at a mile a minute. The British Board of Trade attributes the awful sinking of the Titanic, with its cruel sacrifice of life, of crew and passengers, to excessive speed. The third term party and Candidate Wilson urge the country to like disaster and ruin.

When the American people, in the quiet of the home fireside,

about the evening lamp, in the late Autumn days, shall have given careful thought to the history of the past; shall have considered the blessings that have come from tried policies; when they shall have contemplated the possible dangers that may follow from unwise and unripe changes, they will give heed to the warning and will not repeat in our political and economic fields the frightful and ghastly experience of the Titanic. We Republicans are not men worshippers. We contend with Jefferson for "principles, not men." We are free, and we follow blindly no leader and bow to no dictator. The people always have and the people always will rule. We grip our anchor firmly on the Constitution and the American system of representative government. The more savage and truculent the attacks upon them, the more insolent the bluster, the more steadfast is our stand for free institutions, which are the glory of mankind. An untrammelled judiciary is their strong bulwark. We warn the electorate not to be drowned by a Niagara of denunciation and abuse. Every tirade against the Constitution and the law and the courts is a strident call to the American people to protect their homes and to maintain, inviolate, Constitutional government; every assault upon protection a summons to preserve their opportunities, to maintain existing conditions, which places the American wage earner in every calling on a higher scale of living and civilization than enjoyed elsewhere in the world. Such protection can be guaranteed only by adequate customs duties, justly and wisely applied, to hold our broad and immense home market against the world. Such protection, to be safe and certain, must be based upon a Republican protective tariff.

The evidence upon which the American electorate will base its verdict in November will be submitted upon the hustings, through the press and by pleas through the mails. The evidence should be based upon the experience of the past. The jury of American people must weigh it well and sift the false from the true. The verdict will be rendered within a few hours of a single day; its effect will be with us for years. Let no juror reach his conclusion, render his verdict, without due care for the welfare of himself, his kinsmen and his fellows.

We ask that the Republican Party and its candidates be tried upon the record of service and accomplishments. We are near the end of President Taft's first term of service, with our Government at amity with all foreign powers, amid domestic tranquillity and with our people blessed by prosperity and abundance; our navy among the foremost of the world; our army in a high degree of excellence; our postal service, for the first time in its history, self-sustaining; the colossal dream of the centuries, an Isthmian Canal, almost a completed reality; our foreign and domestic commerce in a condition of activity, vigor and health, meeting the desires of the most optimistic, and every department of the Government rendering proper and efficient aid to law-abiding citizens in every calling. Confident that the American people are not yet willing to destroy and discard the Constitution which has stood the test of more than a century, which was framed, expounded and upheld by the great men of the past; that they have not yet forgotten the direful results of the mistake of 1892, we calmly await the ides of November.

It is a mistake to assume that the Supreme Court in its decision in the Oregon case upholds the initiative and referendum method of legislation, or even the right of a State under the Federal Constitution to adopt it. The Pacific States Telephone and Telegraph Company, in refusing to pay a tax imposed by a law enacted through the initiative and referendum process, took the ground that the act was unconstitutional because the adoption of that process in the Constitution of the State deprived it of a republican form of government, which the United States is bound by the Federal Constitution to "guarantee to every State in this Union." The Supreme Court declined to pass upon the question of the constitutionality of this tax law because it would involve the question whether the State of Oregon has had a republican form of government since the adoption in its Constitution of the initiative and referendum method of legislation, and that is not a judicial but a political question, which it is for Congress to determine. That is all that the court has really decided.—New York "Journal of Commerce."

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[Manufacturing section includes the New England and Middle States, and Maryland, District of Columbia, Ohio, Indiana, Illinois, Michigan, and Wisconsin.]

[From Census of 1910.]

	Manufacturing section	Other States
Per cent of total population of United States	22.5	57.04
Per cent of total area of United States	14.1	85.9
Gross value of manufactures in 1909	\$1,633,460,000	\$5,139,689,000
Per cent of total manufactures produced in section	24.3	25.44
Salaries and wages paid in manufactures in 1909	\$1,541,740,000	\$1,021,316,000
Number of persons employed in manufactures in 1909	2,217,000	1,967,688
Average value per acre of all farm lands	\$40.96	\$27.74
Average value per acre of all lands and holdings	28.00	\$32.47
Average value of buildings per improved acre	23.56	\$9.37
Average value, per head of milk cows	\$39.18	\$30.76
Average value per head of horses	\$15.13	\$20.53
Deposits in savings banks, total	\$3,428,137,752	\$611,805,134
Deposits in savings banks, per capita	\$74.47	\$13.12
Deposits in all banks, total	\$11,268,118,622	\$3,981,017,144
Deposits in all banks, per capita	\$245.13	\$86.50
Bank clearings, total	\$16,144,000,000	\$2,518,530,000
Bank clearings, average per capita	\$308.6	\$489.27
Banking resources, total	\$1,083,000,000	\$5,986,220,898
Banking resources, average per capita	\$20.6	\$136.76
Building resources, average per capita	\$46.707,531	\$108,117,669
Building resources, average per acre	\$30.18	\$12.136